Supreme Court, U. S.
FILED
JUL 31 1980
MICHAEL RO...

80-155

IN THE

Supreme Court of the United States

OCTOBER TERM 1980

No.

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

GERALD W. GRIFFIN
NORMAN H. ZIVIN
Cooper, Dunham, Clark, Griffin & Moran
30 Rockefeller Plaza
New York, New York 10112
Tel. (212) 977-9550

JULIUS R. LUNSFORD, JR.
Hurt, Richardson, Garner, Todd & Cadenhead
1100 Peachtree Center Harris Tower
233 Peachtree Street, N.E.
Atlanta, Ga. 30303
Tel. (404) 525-1100
Attorneys for Petitioner

IN THE

Supreme Court of the United States

OCTOBER TERM 1980

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

Questions Presented For Review

1. What Is The Meaning Of Likelihood Of Confusion—The Test Of Trademark Infringement Under The Lanham Trademark Act Of 1946, 15 U.S.C. §1114(1)?

2. Does An Action Lie For Trademark Infringement Under The Theory Of Likelihood of Confusion As To Sponsorship Or Affiliation, Within The Meaning Of The Lanham Trademark Act Of 1946?

3. Did The Court Of Appeals Err in Holding That A Widely-Known, Distinctive Trademark For Food Products Deserving Substantial Protection Is Not Enforceable In An Action For Trademark Infringement Against Use Of A Virtually Identical Mark For Related But Non-competitive Food Products Under The Theory Of Likelihood Of Confusion As To Sponsorship Or Affiliation, Within The Meaning Of The Lanham Trademark Act of 1946?

4. Did The Court Of Appeals Err In Holding That Respondent's Use Of The Mark DOMINO'S In Selling Food Products To The Public And In Operating And Franchising Fast-Food Stores Is Not Likely To Cause Confusion As To Sponsorship Or Affiliation In View Of Petitioner's Use Of The Widely Known, Distinctive Trademark DOMINO For Related But Non-competitive Food Products Sold To The Public And Used In Fast-Food Restaurants, Within The Meaning Of The Lanham Trademark Act Of 1946?

TABLE OF CONTENTS

	PAGE
Opinions Below	2
Jurisdiction	2
Questions Presented For Review	2
Statute Involved	3
Statement Of The Case	3
The Facts	3
The Proceedings Below	6
Reasons For Granting The Writ	7
I. This Court Should Interpret The Meaning Of Likelihood Of Confusion	7
II. This Court Should Resolve The Conflicts Between And Within The Circuits As To The Meaning Of Likelihood Of Confusion	9
III. This Court's Protection Of Famous Marks Is Essential	14
Conclusion	16
Appendix	
Opinion Of U.S. District Court, Including Findings Of Fact, Conclusions Of Law And Final Judgment And Decree	A 1
Amendment To Order And Final Judgment	A 60
Order Amending Final Judgment And Decree	A 62
Opinion Of U.S. Court Of Appeals	A 67
Order Denying Petition For Rehearing	A 93
Judgment Of Court Of Appeals	A 94

TABLE OF AUTHORITIES

Cases PAGE

American Sugar Ref. Co. v. *Andreassen,* 296 F.2d 783 (C.C.P.A. 1961) 10

American Sugar Ref. Co. v. *Continental Dist. Corp.,* 138 U.S.P.Q. 649 (T.T.A.B. 1963) not otherwise reported) 10

American Sugar Co. v. *Texas Farm Prods. Co.,* 159 U.S.P.Q. 679 (T.T.A.B. 1968) (not otherwise reported) 10

Beef/Eater Restaurants, Inc. v. *James Burrough, Ltd.,* 398 F.2d 637 (5th Cir. 1968) 10

California Fruit Growers Exchange v. *Sun-Kist Baking Co.,* 166 F.2d 971 (7th Cir. 1947) 11

Fleischmann Dist. Corp. v. *Maier Brewing Co.,* 314 F.2d 149 (9th Cir.), *cert denied* 374 U.S. 830 (1963) 8

James Burrough Ltd. v. *Sign of the Beefeater, Inc.,* 540 F.2d 266 (7th Cir. 1976); 572 F.2d 574 (7th Cir. 1978) 11

National Lead Co. v. *Wolfe,* 223 F.2d 195 (9th Cir.), *cert. denied* 350 U.S. 883 (1955) 13

Pure Foods, Inc. v. *Minute Maid Corp.,* 214 F.2d 792 (5th Cir.), *cert. denied* 348 U.S. 888 (1954) 11

Tisch Hotels, Inc. v. *Americana Inn, Inc.,* 350 F.2d 609 (7th Cir. 1965) 14

Turner v. *HMH Publishing Co.,* 380 F.2d 224 (5th Cir.), *cert. denied* 389 U.S. 1006 (1967) 12

Union Carbide Co. v. *Ever-Ready, Inc.,* 531 F.2d 366 (7th Cir.), *cert. denied* 429 U.S. 830 (1976) 11

Yale Electric Corp. v. *Robertson,* 26 F.2d 972 (2d Cir. 1928) 8

Other

PAGE

Callmann, *Unfair Competition, Trademarks And Monopolies* (3rd Ed. 1967) 11

Gilson, *Trademark Protection and Practice* (1974) 11

Lunsford, *Trademark Infringement And Confusion Of Source—Need For Supreme Court Action*, 35 VA. L. REV. 214 (1949) 11

McCarthy, *Trademarks and Unfair Competition* (1973) 9

Statutes

15 U.S.C. §96 *et seq.* 7

15 U.S.C. §1051 *et seq.* 7

15 U.S.C. §1114(1) 2, 3, 7, 9

15 U.S.C. §1116 15

28 U.S.C. §1254(1) 2

IN THE

Supreme Court of the United States

OCTOBER TERM 1980

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

Petitioner Amstar Corporation prays that a Writ of Certiorari issue to review the Judgment of the United States Court of Appeals for the Fifth Circuit, reversing the Judgment of the United States District Court for the Northern District of Georgia, Atlanta Division, enjoining respondents from continued trademark infringement and unfair competition.

Petitioner is the owner and prior user of the famous trademark DOMINO for many food products. Respondents are using the mark DOMINO'S for related, but non-competitive food products. By refusing to grant injunctive relief against respondents' use of the mark, the Court of Appeals has created a conflict within and among the circuits and effectively has repealed a major purpose of the Lanham Trademark Act of 1946, which establishes a claim for relief for trademark infringement where there is likelihood of confusion as to sponsorship or affiliation.

Opinions Below

The Opinion of the Court of Appeals is reported at 615 F.2d 252, and is reprinted in the Appendix (A67). The Findings of Fact and Conclusions of Law of the District Court are reported at 205 U.S.P.Q. 128, and are reprinted in the Appendix (A1).

Jurisdiction

The Judgment of the Court of Appeals was entered on April 8, 1980 (A94). A timely Petition for Rehearing was denied on May 2, 1980 (A93). Jurisdiction of this Court is invoked under 28 U.S.C. §1254(1).

Questions Presented For Review

1. What Is The Meaning Of Likelihood Of Confusion—The Test Of Trademark Infringement Under The Lanham Trademark Act Of 1946, 15 U.S.C. §1114(1)?

2. Does An Action Lie For Trademark Infringement Under The Theory Of Likelihood of Confusion As To Sponsorship Or Affiliation, Within The Meaning Of The Lanham Trademark Act Of 1946?

3. Did The Court Of Appeals Err in Holding That A Widely-Known, Distinctive Trademark For Food Products Deserving Substantial Protection Is Not Enforceable In An Action For Trademark Infringement Against Use Of A Virtually Identical Mark For Related But Non-competitive Food Products Under The Theory Of Likelihood Of Confusion As To Sponsorship Or Affiliation, Within The Meaning Of The Lanham Trademark Act of 1946?

4. Did The Court Of Appeals Err In Holding That Respondent's Use Of The Mark DOMINO'S In Selling Food Products To The Public And In Operating And Franchising Fast-Food Stores Is Not Likely To Cause Confusion As To Sponsorship Or Affiliation In View Of Petitioner's Use Of The

Widely Known, Distinctive Trademark DOMINO For Related But Non-competitive Food Products Sold To The Public And Used In Fast-Food Restaurants, Within The Meaning Of The Lanham Trademark Act Of 1946?

Statute Involved

Section 32(1) of the Lanham Trademark Act of 1946, 15 U.S.C. §1114(1), states in relevant part as follows:

> "Any person who shall, without the consent of the registrant—
>
> (a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive
>
> * * *
>
> shall be liable in a civil action by the registrant for the remedies hereinafter provided. . . ."

Statement Of The Case

The Facts

Petitioner Amstar Corporation (Amstar) is the owner of the famous registered trademark DOMINO for sugar and a host of other food products. It and its predecessors have sold DOMINO sugar throughout the United States since 1885. Amstar was a pioneer in the sale of packaged, branded food products to the consuming public. It was the first to take sugar out of the barrel and give it the benefit of brand identity. It was among the first to prove that trademark promotion can result in extensive sales of packaged foods. Amstar owns ten federal registrations for its DOMINO trademark.

Cumulative sales of DOMINO sugar products to food stores and to industrial users have amounted to more than $14.6

billion from 1937 through 1978. Substantial sums have been expended in advertising and promoting these products over the years. As a result, DOMINO sugar is the No. 1 selling branded food product in supermarkets throughout the country. There is nearly 100% consumer recognition of the mark.

Beginning in about 1916, Amstar introduced single-portion packages of DOMINO sugar to food-serving establishments. It was the first to introduce single-service food packages for restaurant use. These single-service portions typically have the name of the restaurant on one side and the DOMINO trademark on the other. They are used by restaurants everywhere, including major chains of pizza parlors such as "Pizza Hut", "Pizza Inn" and "Shakey's", the three largest chains. Sales of single-service portions currently are at a rate of about 7.5 *billion* DOMINO packages per year. They are distributed nation-wide and found in most restaurants and fast-food stores.

In the early 1960's, Amstar observed that America's eating habits were changing, and that the food-away-from-home market presented a very attractive opportunity for expansion. Amstar had an unusual asset which permitted easy entry into that market—the enormous goodwill of the DOMINO mark to patrons of restaurants and fast-food stores. Amstar entered that market first with DOMINO salt, pepper, mustard and ketchup, and later with jams and jellies, salad dressings, mayonnaise and relish, honey, taco sauce, cranberry sauce, tartar sauce, table syrup, coffee creamer, barbecue sauce, mint jelly, malt vinegar, low-calorie jellies, low-calorie salad dressings and beverage mixes for the Spanish-ethnic market. In addition, Amstar sells DOMINADE beverage mixes in various flavors and ice-tea mix. The cumulative sales of DOMINO food products other than sugar are substantial, and sales currently are at a rate of about one *billion* DOMINO food servings per year.

Amstar's entire line of DOMINO single-service portions is the largest line of such products in this country.

Amstar is not content to sell only the DOMINO products that it has sold to date. It has commissioned several studies to determine areas of possible expansion in the food products and services fields, including acquiring or opening fast-food restaurants. Many of its competitors operate such restaurants, and indeed, some of them operate pizza parlors. For example, Great Western United, which sells G.W. and GODCHAUX sugars, owns the "Shakey's" chain; Campbell Soup owns "Pietro's" pizza parlors; and Pepsi-Cola owns the "Pizza Hut" chain of restaurants. Other large food processors sell frozen pizza, for example, Beatrice Foods, Quaker Oats, Pillsbury and General Mills.

Respondents, principally Domino's Pizza, Inc. (DPI), sell DOMINO's pizza and beverages through a chain of company-owned and franchised food stores. They sell a limited line of food products to consumers, although there are no restrictions on their sale of any particular food products. From time to time, some franchisees have sold sandwiches, frozen pizza and coffee. DPI also operates two commissaries which purchase sugar, salt, pepper and other food products in bulk from various suppliers, repackage those items and sell them to pizza parlors. One such product, comprising entirely sugar and salt, is sold under the name DOMINO's dough packet mix. Although DPI was a very small company owning or franchising about thirty pizza parlors at the time this dispute began, in recent years it has engaged in a substantial expansion effort, and currently there are more than 300 DOMINO's food stores located throughout the country.

For at least the past decade, there have been no food processors in the United States selling DOMINO food products to the American public other than Amstar and DPI.

The Proceedings Below

After a nine-day bench trial, the District Court made extensive Findings of Fact and Conclusions of Law, and entered Judgment in favor of Amstar. The District Court found as fact that Amstar's mark DOMINO is arbitrary and distinctive as applied to food products (A7); that the mark has obtained a great degree of fame (A11); and that the mark has become exceedingly well-known to patrons of restaurants and food service establishments as a single source of many food products (A20). As a result, it found as fact that consumers are highly likely to associate any food products sold in food stores under the DOMINO mark with Amstar's food products (A12); that the consuming public is very likely to believe that DOMINO's pizza, even if sold in a separate food store outside supermarkets, is in some way sponsored by, associated with or connected with, or emanates from Amstar (A22); and that the purchasing public is likely to mistakenly believe that DPI's use of the name DOMINO's is connected, associated with or affiliated with Amstar's use of DOMINO (A60). All these findings were supported by substantial evidence.

Although likelihood of confusion is a fact question in the Fifth Circuit, the Court of Appeals disregarded the District Court's Findings of Fact, reversed the Judgment and mandated Judgment in favor of respondents. The Court of Appeals agreed that Amstar's mark DOMINO, at least as applied to sugars and related products, is a widely known mark deserving substantial protection. (A80, 92). It did not disagree that the DOMINO mark is distinctive and well-known, and that its application to sugar is arbitrary. (A80, 82). Nevertheless, the Court stated its own factual opinion that there is no likelihood of confusion and that the District Court's result does not reflect the truth and right of the case. (A77). The Court of Appeals errone-

ously concluded that a trademark is a monopoly, and should not be extended to preclude the sale of non-competitive goods. (A92).

Reasons For Granting The Writ

This Court has never interpreted the meaning of likelihood of confusion, the test of trademark infringement established by the Lanham Trademark Act of 1946, 15 U.S.C. § 1114(1). This is a recurring and significant issue to all trademark owners and users. There is a special need for this Court's guidance in cases involving related although non-competitive goods. The Court of Appeals' decision conflicts both with those of other panels of the same Court, and with those of other Courts of Appeals, which have interpreted the test of likelihood of confusion under the 1946 Act. The Court of Appeals' decision greatly restricts the rights of owners of well-known, distinctive trademarks and has implications far beyond the immediate parties.

I.

This Court Should Interpret The Meaning Of Likelihood Of Confusion.

Modern trademark law began with the Lanham Trademark Act of 1946, 15 U.S.C. §1051 *et seq.* Prior to that statute's enactment, there had been substantial diversity in interpretation of the old Trademark Act of 1905, 15 U.S.C. § 96 *et seq.* The diversity was particularly notable in cases of related but non-competitive goods. The 1905 Act required for trademark infringement not only that the respective marks be confusingly similar, but that the respective goods have "substantially the same descriptive properties". In the absence of counterfeiting, it was nearly

impossible to make out a case of infringement. Many cases so held.

Other Courts of Appeals, finding this test too restrictive if literally applied, followed the lead of the famous case of *Yale Electric Corp.* v. *Robertson,* 26 F.2d 972 (2d Cir. 1928). In that case, which involved the sale of locks and flashlights under the same trademark, Judge Learned Hand said:

> ". . . [I]t has of recent years been recognized that a merchant may have a sufficient economic interest in the use of his mark outside the field of his own exploitation to justify interposition by a Court. His mark is his authentic seal; by it he vouches for the goods which bear it; it carries his name for good or ill. If another uses it, he borrows the owner's reputation, whose quality no longer lies within his own control. This is an injury, even though the borrower does not tarnish it, or divert any sales by its use; for a reputation, like a face, is the symbol of its possessor and creator, and another can use it only as a mask.
>
> And so, it has come to be recognized that, unless the borrower's use is so foreign to the owner's as to ensure against any identification of the two, it is unlawful." *Id.* at 974.

With the *Yale Electric* decision, the law of trademarks passed into a new era. Counterfeiting no longer was required. Use of the same mark on related but non-competitive goods could be actionable.

When Congress enacted the 1946 Act, it adopted the *Yale Electric* test and broadened the scope of protection accorded to well-known trademarks, especially where confusion as to affiliation or sponsorship is likely. *Fleischmann Distilling Corp.* v. *Maier Brewing Co.,* 314 F.2d 149, 151 (9th Cir.), *cert. denied* 374 U.S. 830 (1963) (BLACK & WHITE Scotch whiskey v. beer). Since 1946, trademark infringe-

ment is established if the public is likely to assume, because of similarity of the marks identifying goods, that (i) the goods emanate from the same source, (ii) the sources of the goods are affiliated in some way, or (iii) one source of the goods sponsors the other. 15 U.S.C. § 1114(1).

This Court, however, has never confirmed this interpretation of likelihood of confusion under the 1946 Act. Since 1946, this Court has not decided whether trademark infringement may be shown in any situation involving sponsorship or affiliation of related but non-competitive goods. As a result, the Courts of Appeals have been free to make their own interpretations. At least forty cases have been decided in the Courts of Appeals since 1946 on the issue of whether likelihood of confusion exists where the same mark is used in the sale of non-competitive goods. In addition, there have been many conflicting decisions by the Court of Customs and Patent Appeals on this issue. It is essential that this Court clarify for trademark owners and users whether the 1946 Act provides that trademark infringement may be established upon a showing of likelihood of confusion as to affiliation or sponsorship. Without that guidance, the courts will continue to exhibit what has been referred to as "judicial schizophrenia." 2 McCarthy, *Trademarks and Unfair Competition,* § 24.9 (1973).

II.

This Court Should Resolve The Conflicts Between And Within The Circuits As To The Meaning Of Likelihood Of Confusion.

The Court of Appeals' decision conflicts both with the trademark law as generally interpreted by other Courts of Appeals and with that expressed by other panels of the Fifth Circuit. Importantly, the decision conflicts with other decisions in that it holds the respective goods here (sugar,

beverage mixes and other food products v. pizza and beverages) are so dissimilar as to produce no likelihood of confusion. The Court of Appeals disagreed with the District Court's factual findings of the relationship of the goods (A31) and held that about the only thing that the goods have in common is that they are edible. (A84). Under the 1946 Act, similarity of the respective marks and goods are the two essential elements in a trademark infringement action. As the marks here are virtually identical (DOMINO v. DOMINO'S), error by the Court in finding dissimilarity of the goods was critical in its finding of no likelihood of confusion as to affiliation or sponsorship.

The Court's finding of dissimilarity of these related goods sold under the DOMINO mark conflicts with decisions in other courts. In *American Sugar Ref. Co.* v. *Andreassen*, 296 F.2d 783 (C.C.P.A. 1961), DOMINO for pet foods was found likely to cause confusion with DOMINO for sugar. See also *American Sugar Co.* v. *Texas Farm Products Co.*, 159 U.S.P.Q. 679 (T.T.A.B. 1968) (not otherwise reported), holding DOMINO for fertilizer and livestock feed confusingly similar to DOMINO for sugar, and *American Sugar Ref Co.* v. *Continental Distilling Corp.*, 138 U.S.P.Q. 649 (T.T.A.B. 1963) (not otherwise reported), holding DOMINO for gin confusingly similar to DOMINO for sugar. If Amstar's DOMINO mark is entitled to protection against those non-competitive goods, surely it must be enforceable against DPI's use of DOMINO'S in the sale of related food products for human consumption.

There is indirect conflict with other panels of the Fifth Circuit as to whether likelihood of confusion may exist when the goods are related but non-competitive, particularly with respect to foods. In *Beef/Eater Restaurants, Inc.* v. *James Burrough Ltd.*, 398 F.2d 637 (5th Cir. 1968), BEEF/EATER for restaurants which did not serve alcoholic beverages was found confusingly similar to the well-known trade-

mark BEEFEATER for gin, on the ground that both are consumable. *Id.* at 639. This very ground of similarity here was found insufficient by the Court of Appeals. See also *Pure Foods, Inc.* v. *Minute Maid Corp.*, 214 F.2d 792 (5th Cir.), *cert. denied* 348 U.S. 888 (1954), where MINUTE MAID frozen fruit juice concentrates and MINUTE MADE frozen meats were found confusingly similar.

Indeed, the only case cited by the Court of Appeals in support of its finding of dissimilarity of the respective goods here was *California Fruit Growers Exchange* v. *Sun-Kist Baking Co.*, 166 F.2d 971, 973 (7th Cir. 1947), where SUN-KIST for bread was held not to infringe SUN-KIST for fruits and vegetables. The *Sun-Kist* case is an abberation, which has been criticized repeatedly by commentators for its overly restrictive approach. See 1 Gilson, *Trademark Protection & Practice*, p. 5-36 (1974); 3 Callmann, *Unfair Competition, Trademarks and Monopolies*, p. 970 (3rd Ed. 1967); Lunsford, *Trademark Infringement and Confusion of Source—Need for Supreme Court Action*, 35 VA. L. REV. 214, 225 (1949). *Sun-Kist* no longer reflects the state of the law even in the Seventh Circuit from which it emanated. See *James Burrough Ltd.* v. *Sign of the Beefeater, Inc.*, 540 F.2d 266 (7th Cir. 1976); 572 F.2d 574 (7th Cir. 1978) (BEEFEATER gin v. restaurant); *Union Carbide Co.* v. *Ever-Ready, Inc.*, 531 F.2d 366 (7th Cir.), *cert. denied* 429 U.S. 830 (1976) (EVER-READY batteries v. light bulbs).

The respective goods here are foods sold for human consumption, which are for the most part non-competitive (Amstar sells sugar, salt and beverage mixes and DPI sells sugar/salt packet mixes and beverages). The test which should have been applied is whether the public is likely to believe either that the related goods have a common source, or that the sources are affiliated in some manner, or that one source sponsors the other, as for example, by franchise or license, because of the virtually

identical marks they bear. By failing to apply the proper test, and by applying an overly restrictive and outmoded test, the Court of Appeals created conflict both with decisions within the Fifth Circuit and with decisions of other Courts of Appeals, including the C.C.P.A. and the Seventh Circuit.

The Court of Appeals' decision further creates a conflict both within the Fifth Circuit and with other circuits regarding the extent to which Amstar's well-known DOMINO mark is entitled to protection against use on non-competitive goods. The Court found that DOMINO should be afforded only limited protection apart from sugar and related food products (assuming that pizza and beverages are not related). (A81). The rationale was that several third parties had used and registered DOMINO. The District Court had held the third-party registrations to have no bearing on Amstar's rights and had given little weight to the third-party uses. All the third-party uses were long-abandoned or "ancient"; remote as to goods or geography; small, obscure and localized; or used only in shipments to the trade. The Court of Appeals did not believe that third-party uses and registrations could be so readily dismissed. (A79).

The Fifth Circuit's prior understanding of the effect of third-party registrations (not uses) had been that such registrations cannot negate likelihood of confusion. In *Turner* v. *HMH Publishing Co.*, 380 F.2d 224, 228 (5th Cir.), *cert. denied* 389 U.S. 1006 (1967), where PLAYBOY for magazines and Atlanta's PLAYBOY Club for nightclubs were held confusingly similar, the Court held:

> "We will not assume any knowledge on the part of the purchasing public by mere registrations in the Patent Office, nor will we assume that the marks are in continuing use, so as to have any effect on the mind of the purchasing public merely because they have been so registered."

Even if third-party registrations are relevant to the scope of protection to be afforded the DOMINO mark, only one of the third-party registrations cited here has issued since the 1946 Act for a food product and that one reflects use in foreign commerce. Amstar is seeking to uphold its rights in the DOMINO trademark in the sale of food to the American public. Its' right to the symbol of its reputation in this field should not be limited by registrations which are long expired, outside this field and not known to the American public.

The Court of Appeals was more interested in the number of third-party uses than in their effect upon the public's perceptions. Third-party uses are probative only to the extent that they are presently known to a large number of consumers who have been exposed to them over a substantial period of time. Under those circumstances, it may be said that the distinctiveness of the mark is adversely affected, or that the public has become educated to distinguish related products bearing similar marks by exposure to many uses, thereby precluding any likelihood of confusion. Even DPI admitted in its appeal brief that the "third-party usage of DOMINO is less than pervasive and of questionable renown". Amstar's rights in the DOMINO mark established over generations should not be limited because others have sold DOMINO cigarettes and matches, or because still others operate a single restaurant or donut shop under the name DOMINO, or because another has sold flour mix to the bakery trade. This is especially true where all such uses have been miniscule. To do so is to ignore the marketplace reality that only Amstar and DPI make and sell DOMINO food products to any significant segment of the public.

Other circuits have given little weight to evidence of third-party uses for the very reasons stated by the District Court. See *National Lead Co.* v. *Wolfe*, 223 F.2d 195, 204 (9th Cir.), *cert. denied* 350 U.S. 883 (1955) (protecting the

mark DUTCH BOY for paint despite 39 third-party uses for the reasons relied upon by the District Court here); *Tisch Hotels, Inc.* v. *Americana Inn, Inc.*, 350 F.2d 609, 614 (7th Cir. 1965) (protecting the mark AMERICANA for hotels despite many other uses).

As the Court of Appeals decision conflicts with the decisions of other circuits, including the Seventh and Ninth Circuits, and with other panels of the Fifth Circuit protecting well-known trademarks against uses on related but non-competitive goods, a decision by this Court is needed to resolve the conflicts.

III.

This Court's Protection Of Famous Marks Is Essential.

There is no question that Amstar's DOMINO mark is famous. The Court of Appeals agreed with the District Court that the mark is "widely known" and that there is "wide public recognition of the mark". (A72, 92).

Amstar has built up a substantial food business under the DOMINO trademark and is entitled to the exclusive use of the mark for foods, including the exclusive right to franchise and license use of its mark to others. Although the decision confirms the strength of the DOMINO mark for the foods which Amstar has sold, Amstar may be precluded from expanding its food line under its DOMINO mark, an action necessitated by expansion undertaken by many of its large competitors.

On the other hand, DPI and its franchisees will not be forced out of business if they cannot use the DOMINO's name. They may continue operations under their alternative name PIZZA DISPATCH, adopted after the District Court's injunction and used successfully in connection with at least some of their stores. In the absence of any food processors selling DOMINO food products to American

consumers other than Amstar and DPI and its franchisees, and in view of Amstar's clear prior rights to the mark, an injunction should have issued prohibiting DPI's continued use. (Amstar sought no damages for past infringement). 15 U.S.C. § 1116.

If this decision is permitted to stand, the rights of other trademark owners similarly will be restricted. For example, the Coca-Cola Company may be precluded from enforcing its well-known mark against COCA-COLA pizza, or Kraft Foods may be precluded from enforcing its house mark against KRAFT pizza, because those companies do not sell pizza under those marks. Obviously, this decision has implications beyond the parties to this suit.

Of course, consumers do not believe they are buying sugar, or cola, or cheese, when they purchase a pizza. But, they may well believe that they are buying a food product sponsored by the same high-quality source from which their family has for generations purchased other foods, or from a franchisee or subsidiary of it. They recognize the famous mark and purchase the product without pondering over their decision. If famous trademarks are not to be protected against use on related but non-competitive goods, trademarks surely will become meaningless.

Trademarks are symbols of the reputations of their owners, and assist the public in distinguishing products of different origin. Trademarks stimulate competition; they are not monopolies. For the Court of Appeals to so narrowly restrict a famous trademark is to debilitate these functions to the detriment of both the owner and the public. Important property rights and public confusion cannot be so easily disregarded. The decision below has placed a damper not only upon Amstar's DOMINO trademark, but upon all other famous, well-known marks. This Court's review and intervention are mandatory.

CONCLUSION

Upon the facts and authorities set forth above, Amstar respectfully submits that a Writ of Certiorari issue to review the Judgment of the Court of Appeals for the Fifth Circuit.

Respectfully submitted,

GERALD W. GRIFFIN
NORMAN H. ZIVIN
Cooper, Dunham, Clark, Griffin & Moran
30 Rockefeller Plaza
New York, New York 10112
Tel. (212) 977-9550

JULIUS R. LUNSFORD, JR.
Hurt, Richardson, Garner, Todd & Cadenhead
1100 Peachtree Center Harris Tower
233 Peachtree Street, N.E.
Atlanta, Ga. 30303
Tel. (404) 525-1100
Attorneys for Petitioner

July 31, 1980

APPENDIX

Opinion

UNITED STATES DISTRICT COURT

N.D. Georgia, Atlanta Div.

Amstar Corporation

v.

Domino's Pizza, Inc. *et al.*

No. 75-1895A

Decided Sept. 11, 1979

Freeman, District Judge.

This case, tried to the court without a jury on January 15, 16, 17, 18, 19, 22, 23, 24 and 29, 1979, arises out of claims for trademark infringement, unfair competition, false designation of origin and false description or representation, violation of the Georgia Anti-Dilution Statute and violation of the Georgia Uniform Deceptive Trade Practices Act. Plaintiff has expressly abandoned its claim for damages and attorneys' fees without prejudice, and seeks injunctive relief only. Defendants have denied plaintiff's claims and have counterclaimed against plaintiff to have its Domino registration for salt cancelled because of alleged fraud in obtaining it and for a declaration that all of plaintiff's Domino registrations are unenforceable and not incontestable as a result of alleged misuse and abuse of same in bringing this action. Defendants have expressly abandoned their claim for damages without prejudice, but insist upon their claim for attorneys' fees.

The court has carefully considered and reviewed all of the pre-trial orders, briefs and memoranda, as well as post-trial submissions consisting of briefs, memoranda, and revised proposed special findings of fact and conclusions of law. In considering the evidence and applicable law,

the court has reviewed its trial notes and the aforesaid submissions filed by the parties, and has read virtually every case cited and relied upon by the parties in support of their respective positions. It has also reviewed the numerous documents admitted into evidence and the transcript of the testimony taken during the trial. Having reviewed this mass of materials, it is now prepared to enter findings of fact and conclusions of law, and to order judgment thereon. In doing so, however, the court feels compelled to point out that it has separately and individually considered and adopted as its own, in most instances verbatim, the proposed findings of fact and conclusions of law submitted by the prevailing party because the court believed them to be factually and legally correct. The court could have re-written, but such would have amounted to no more than a paraphrasing of the fact findings and conclusions submitted. Such an act of pretense would serve absolutely no purpose. Accordingly, the court hereby makes the following special findings of fact and conclusions of law, and orders judgment consistent therewith.

Findings of Fact

A. The parties and jurisdictional basis.

1.

Plaintiff Amstar Corporation (hereinafter "Amstar") is a corporation organized and existing under the laws of the State of Delaware, having its principal place of business in the City of New York, New York. It is a large producer and distributor of sugar and sugar related products, as well as other food products, including sugar, manufactured and distributed in portion control packets. Most, if not all, of plaintiff's products are marketed and sold under the trademark DOMINO.

2.

Defendant Domino's Pizza, Inc. (hereinafter "DPI") is a corporation organized and existing under the laws of the State of Michigan, having its principal place of business in the City of Ann Arbor, Michigan, and being authorized and licensed to do business in the State of Georgia. It franchises or owns a chain of pizza stores known as DOMINO'S or DOMINO'S PIZZA in approximately 24 states and, in addition, operates several commissaries across the country which serve the pizza stores.

3.

Defendant Atlanta Pizza, Inc. at the time this action was commenced was a corporation organized and existing under the laws of the State of Georgia, having its principal place of business in Atlanta, Georgia and doing business in this district and division under the names DOMINO'S and

Findings of Fact

DOMINO'S PIZZA. In August, 1976, the pizza restaurant doing business for this corporate entity changed its name to "The Original Pizzaman". It was the predecessor in interest to defendant Pizza Services, Inc.

4.

Defendant Pizza Enterprises, Inc. at the time this action was commenced was a corporation organized and existing under the laws of the State of Florida, with its principal place of business situated in Gainesville, Florida, but qualified to do business in the State of Georgia and doing business in this district and division. It was an area distributor of defendant DPI and franchised defendant Atlanta Pizza, Inc., to operate a pizza store in Atlanta, Georgia.

5.

Defendant Pizza Services, Inc. at the time this action was commenced was a corporation organized and existing under the laws of the State of Florida, with its principal place of business in Gainesville, Florida, and qualified to do business in the State of Florida and the State of Georgia and doing business in this district and division. It was the successor in interest to defendant Atlanta Pizza, Inc. In March of 1976, it changed its corporate name to K2, Inc. a.k.a. Kilby Kompanies, Inc.

6.

Apparently, defendants Atlanta Pizza, Inc., Pizza Enterprises, Inc. and Pizza Services, Inc. are now defunct corporations.

Findings of Fact

7.

Defendant Hanna Creative Enterprises, Inc. at the time this action was commenced was a corporation organized and existing under the laws of the State of Georgia having its principal place of business in Atlanta, Georgia. Prior to September 1978 it was doing business in Atlanta, Georgia and in this district and division under the name "The Original Pizzaman". At that time it changed the name of that pizza restaurant back to DOMINO'S and DOMINO'S PIZZA. It is a franchisee of defendant DPI and operates two pizza stores in Atlanta, Georgia.

8.

The court has jurisdiction over the parties and the subject matter of this action because of the diversity of citizenship between plaintiff and defendants and because this action arises and is brought under the trademark laws of the United States and the Trademark act of July 5, 1946, 15 U.S.C. § § 1051, et seq. pursuant to 28 U.S.C. § § 1331(a), 1332(a) and 1338(a). Venue properly lies in this district and division under 28 U.S.C. § § 1391(b) and 1391(c). The amount in controversy exceeds the sum or value of $10,000.00 exclusive of interest or costs.

9.

Plaintiff has alleged five causes of action in its complaint, to wit: trademark infringement, unfair competition, false designation of origin and false description or representation, violation of the Georgia Anti-Dilution Statute and violation of the Georgia Uniform Deception Trade Practices

Act. Plaintiff claims that long after its first use of its widely celebrated trademark DOMINO in association with the sale of food products, defendants began using and continue to use the names DOMINO'S and DOMINO'S PIZZA relative to their business of operating, franchising and supplying pizza restaurants. Plaintiff contends that the sale of pizza and beverages under the names DOMINO'S and DOMINO'S PIZZA is likely to cause confusion, mistake or deception and dilutes the distinctiveness of plaintiff's mark. Defendants have denied all of plaintiff's claims and have counterclaimed asking that plaintiff's DOMINO registration for salt be cancelled as a result of plaintiff's alleged fraud in securing that registration and for a declaration that all of plaintiff's DOMINO trademark registrations are unenforceable and not incontestable as a result of alleged misuse and abuse of same in bringing this action.

B. DOMINO is a famous and celebrated trademark for sugar.

10.

For almost a century plaintiff and its predecessors in interest have continuously engaged in the importation and purchase of raw sugar and the refining and selling of sugar and sugar related products under and in association with the trademark DOMINO. Plaintiff adopted the trademark DOMINO prior to 1900 and has used and still is using the same in connection with the sale of numerous items of sugar and sugar related products in individual packages and in bulk, which are distributed in interstate commerce in Georgia and throughout the United States. The plaintiff's prede-

cessor was the first to use the DOMINO trademark for any food product.

11.

Plaintiff's trademark DOMINO is arbitrary and distinctive as applied to food products. The mark DOMINO has no obvious suggestive or descriptive significance in and of itself with respect to . . ." plaintiff's food products. See American Sugar Refining Co. v. Continental Distilling Corp., 138 USPQ 649, 650 (T.T.A.B. 1963).

12.

Plaintiff is the owner of the following subsisting trademark registrations issued by the U.S. Patent and Trademark Office for the DOMINO mark in various forms in association with sugar and sugar related products

Trademark	Reg. No.	Registration Date	Goods
DOMINO design	37,082	9/17/01 (renewed 1931, 1951, 1971)	Hard sugar
DOMINO	37,177	10/8/01 (renewed 1931, 1951, 1971)	Hard sugar
DOMINO	73,099	3/16/09 (renewed 1929, 1949, 1969)	Hard sugar

13.

Plaintiff sells DOMINO sugar to food stores, including grocery stores, supermarkets, restaurants, fast food outlets and institutional users, and to industrial users, through its Grocery, Food Service and Industrial sales units.

Findings of Fact

14.

Plaintiff's grocery line of sugar and sugar related products is sold in packaging wherein the DOMINO mark is the most conspicuous feature. On the packaging, the trademark DOMINO almost always is presented on a bias with respect to the horizontal.

15.

Plaintiff's grocery product line is distributed to the consuming public at retail throughout much of the United States under the DOMINO mark in grocery stores, supermarkets and convenience food stores. These DOMINO products include: granulated sugar, confectioner's sugar, light brown sugar, liquid brown sugar, dark brown sugar, golden light brown sugar, hostess tablets, deluxe superfine sugar, crystal tablets, dots, sugar 'n cinnamon and handi-paks.

16.

Plaintiff's sales of DOMINO sugar products have exceeded $300,000,000 in every year since 1953. Cumulative sales of DOMINO sugar products to the food store trade and to industrial users for the years 1937 through 1978 amount to more than $14,600,000,000.

17.

Plaintiff has extensively advertised its DOMINO sugar products in virtually every available medium, including nationally circulated magazines, newspapers, trade journals, radio, television, store displays, posters and outdoor displays.

Findings of Fact

18.

DOMINO sugar is the single largest selling item in groceries and supermarkets throughout the country, both in unit volume and in dollar volume.

19.

Plaintiff has spent about $54,000,000 since 1947 in advertising and promoting its sugar products under the DOMINO trademark.

20.

Plaintiff was one of the first consumer product companies to extensively promote its trademark. Advertisements for DOMINO sugar products have appeared in such nationally circulated popular magazines as Better Homes & Gardens, Good Housekeeping, Woman's Day, Redbook, American Home, Ladies Home Journal, Family Circle, Reader's Digest, McCall's, Life and Look and in local newspapers.

21.

DOMINO sugar products have been promoted in institutional and industrial trade journals such as Modern Grocer, Hospitality, Chain Store Age, Fast Foods, Food Service Magazine and Volume Feeding Management.

22.

In addition, plaintiff's DOMINO sugar is advertised extensively by supermarkets and grocery stores in newspapers, flyers, store displays and posters. By way of example, Big Apple, Food Giant and Winn-Dixie stores in Atlanta have

advertised DOMINO sugar in The Atlanta Journal and The Atlanta Constitution. DOMINO sugar is featured in the advertisements and is used to attract traffic into stores.

23.

DOMINO sugar products have been promoted extensively in national and local radio and television spots. Plaintiff's DOMINO sugar products have been sponsors of such television programs as the "Tonight Show", the "Today Show" and "Dick Cavett Show." DOMINO is the only sugar on network television every week.

24.

Because of the fame and quality reputation of the DOMINO mark, plaintiff's DOMINO sugar cartons and bags have been used to advertise and promote other products. The DOMINO name serves to attract attention to such other products as NABISCO breakfast cereal, HERSHEY'S cocoa and RICH'S non-dairy creamer.

25.

Plaintiff extensively promotes its DOMINO grocery sugar products to the trade. Brokers and distributors selling DOMINO sugar products to retail grocers have been supplied with and make use of DOMINO promotional catalogs, promotional fact sheets, product fact sheets, grocery product data books and promotional mailers.

26.

Plaintiff promotes its DOMINO grocery sugar product line to the consuming public by supplying retail grocers

and supermarkets with in-store promotional materials featuring DOMINO sugar and with special promotional materials which advertise DOMINO sugar products in connection with a particular theme.

27.

Plaintiff also sells nationally all grades and styles of industrial sugar and sugar related products under the mark DOMINO. DOMINO industrial sugars are distributed to food processors and manufacturers and to beverage bottlers such as The Coca-Cola Company. DOMINO industrial sugar is sold in 50 and 100 pound bags which prominently display the DOMINO mark.

28.

The DOMINO trademark also is featured prominently on railroad tank cars and trucks used in the distribution of plaintiff's industrial sugar sold in bulk. Large signs at plaintiff's refineries in Boston, Brooklyn, Philadelphia, Baltimore and New Orleans are visible at great distances and promote the DOMINO mark to both the trade and consuming public.

29.

As a result of the long and widespread use of the fanciful DOMINO mark in association with sugar products for nearly one hundred years, the expenditure of millions of dollars in advertising and promotion of the DOMINO mark through every available medium, and the sale of billions of dollars of DOMINO sugar, plaintiff's DOMINO trademark has obtained a great degree of fame and has long been accepted

by consumers and the trade as a symbol of the source of quality sugar and sugar related products. Plaintiff's DOMINO sugar and sugar related products have achieved a well-deserved reputation for consistent high quality, to which has attached enormously valuable good will. It is not disputed that plaintiff is the owner of the trademark DOMINO for its wide range of sugar products and that DOMINO is a famous and celebrated trademark for sugar.

30.

Consumer studies conducted for plaintiff by independent market research companies have shown that close to 100% of the public recognizes the DOMINO mark as the source of plaintiff's sugar products. Studies also indicate that DOMINO sugar users place considerably more importance on the reputation of that brand name than purchasers of other brands. These consumer studies have been undertaken over a long period of time as part of plaintiff's regular course of business in monitoring consumer recognition of its DOMINO mark and consumer perception of the quality of plaintiff's products.

31.

Defendants have admitted that DOMINO is a famous mark for sugar. Consumers are highly likely to associate any food products sold or available for sale in supermarkets, groceries or other food stores under the DOMINO mark with the DOMINO food products sold by plaintiff.

C. DOMINO is widely known for many food products.

Findings of Fact

32.

Since about 1916, plaintiff has sold continuously DOMINO sugar products in packets and in wrapped tablets to eat-away-from-home establishments. The establishments distribute the tablets and the packets to customers purchasing food. The public has become accustomed to seeing the DOMINO mark prominently featured on the packets and wrapped tablets in every type of away-from-home eating establishment, including restaurants, fast-food chains, pizza parlors and chains, institutional cafeterias, plant cafeterias, drive-in restaurants, hospitals, hotels, dining clubs, take-out food stores and airlines.

33.

Many of these eat-away-from-home establishments use "crested" DOMINO sugar packets and wrapped tablets. The "crested" DOMINO sugar packets and tablets have the name and logo of the restaurant or fast-food establishment printed on one side and the mark DOMINO prominently displayed on the other. DOMINO sugar is one of the very few branded products which regularly appears on the table in many quality restaurants throughout the country.

34.

Many Italian restaurants, pizza parlors and pizza chains use "crested" DOMINO packets and tablets, and their patrons recognize the DOMINO mark as an indication of the source of plaintiff's food products. Some of the major chains of pizza restaurants which use "crested" DOMINO packets and/or wrapped tablets are "Pizza Hut", "Pizza Inns", "Shakey's Pizza Parlors", "Pizza Planet" and "Gino's Pizzerias."

Findings of Fact

35.

The commercial acceptance and quality image of the DOMINO mark has been recognized by numerous companies which have contracted for their products and services to be advertised on the side panels of DOMINO sugar packets. In addition to advertising on DOMINO sugar bags and cartons, some of the products and services which are advertised on DOMINO sugar packets include 7-UP beverages, V-8 vegetable juice, A&P supermarkets, YORK candies, the New York Telephone Company and Ringling Brothers- Barnum & Bailey Circus.

36.

In about 1960, plaintiff commenced selling and continues to sell DOMINO sugar packets in transparent cellophane envelopes together with a napkin and beverage stir stick. These packages, known as "Drinkits", prominently display the DOMINO mark, which is visible on the sugar packet through the transparent envelope. The packets were and are extensively distributed by fast food and take-out establishments to customers purchasing beverages.

37.

In the early 1960's, plaintiff expanded its food service line and introduced DOMINO sugar substitute in packet form. This DOMINO product is extensively sold by plaintiff to food service establishments for distribution to their customers.

38.

Plaintiff's sugar packets, wrapped tablets and sugar substitute packets are distributed nationwide under the DOMINO

trademark and can be found in a great number of restaurants and food-away-from-home establishments in the United States.

39.

Cumulative sales of DOMINO sugar and sugar substitute products to food service establishments have exceeded $450,000,000 since 1968. Current sales are running at a rate of about 7.5 billion packets per year.

40.

In about 1960, plaintiff began planning for the expansion of its food product line to other products which could be sold to the food-away-from-home market. The Food Service Division was formed to supply the growing needs of that vast potential market which long had been familiar with DOMINO sugar packets and wrapped tablets.

41.

Commencing in about August 1963, plaintiff used the DOMINO mark in connection with the sale and distribution of paper placemats and napkins to restaurants and food service establishments. Plaintiff discontinued the sale of DOMINO placemats and napkins in the early 1970's.

42.

In late 1964, plaintiff commenced selling and continues to sell DOMINO "Sugar 'N Lemon" flavored sugar in packets nationwide to food service establishments for distribution to their customers purchasing hot or chilled beverages.

Findings of Fact

43.

On March 4, 1964, plaintiff made the decision to use the DOMINO mark on a new line of portion control food products sold to the food service industry. These are individually packaged, small quantities of food especially designed for food service use. The line initially comprised salt, pepper, mustard and ketchup.

44.

Commencing shortly after March 4, 1964 and continuing until March 23, 1965, plaintiff designed, ordered and installed the necessary machinery for full scale processing and packaging of salt and pepper and contracted with suppliers for the packaging of mustard and ketchup. During that period, plaintiff undertook a development program to create products especially suitable for the food service trade. Plaintiff also created advertising and promotional materials and packaging designs. Plaintiff made initial contacts with commercial customers and organized its food service sales program. DOMINO salt and pepper were ready for shipment in January 1965, as a prelude to full-scale sales to customers a few months later.

45.

The first sale of DOMINO salt was on June 4, 1964 to Carolinda Fine Foods, Greenwich, Conn. The second and third sales of DOMINO salt were on June 25, 1964 to G.M.C. Paper Supply, Boston, Mass. and to Empire Appetizing Co., Mt. Vernon, N.Y., respectively. Each of these sales was made for monetary consideration to a bona fide commercial customer for food service products.

Findings of Fact

46.

On March 23, 1965, plaintiff commenced deliveries of DOMINO salt, pepper, mustard and ketchup in commercial quantities.

47.

Thereafter, plaintiff extended use of the DOMINO mark to jam, jellies, salad dressings, mayonnaise, relish, taco sauce, honey, tartar sauce, table syrup and cranberry sauce. Each of these products is sold to the food service trade for distribution to the consuming public.

48.

Plaintiff recently has added to its food service product line by introducing DOMINADE beverage mixes in various flavors, DOMINADE iced tea mix and DOMINO coffee creamer. Plaintiff is in the process of introducing DOMINO "Delicioso" beverage mixes to be sold in food stores, and DOMINO barbecue sauce, mint jelly, malt vinegar, low-calorie jellies and low-calorie salad dressings in portion control packets. These food products also are sold to the food service trade for distribution to the consuming public.

49.

On February 19, 1965, plaintiff filed an application to register the mark DOMINO for salt in the U.S. Patent and Trademark Office. The application alleged a date of first use on June 4, 1964. That allegation was proper and the date is supported by the evidence.

Findings of Fact

50.

Plaintiff is the owner of seven subsisting trademark registrations issued by the U.S. Patent and Trademark Office for the DOMINO mark in association with food products other than sugar. These registrations are:

Reg. No.	Issue Date	Goods
812,656	8/9/66	Mustard packaged in individual servings
812,657	8/9/66	Ketchup packaged in individual servings
813,101	8/16/66	Salt
813,113	8/16/66	Pepper packaged in individual servings
920,834	9/21/71	Jams and Jellies
927,856	1/25/72	Salad dressing, mayonnaise and cucumber relish
1,108,831	12/12/78	Non-dairy powdered cream substitute

51.

Plaintiff has advertised and promoted DOMINO food service products in portion control packets at least since 1964. These products have been advertised to the public on network television and in major newspapers. In trade magazines, a "DOMINO man" theme was used for the introduction of these products from about 1965 to about 1968. The "DOMINO man" was the person who could supply all the needs of the restaurant and food service industry for portion control food products. Plaintiff has promoted DOMINO food service products through direct mail to the trade, presentations to food brokers and distributors and printed

materials provided to food brokers and distributors selling DOMINO food products. As a result of this advertising and promotional effort, plaintiff has become known as the source of a complete range of food products distributed to and in food-away-from-home establishments, and is the largest distributor of portion control products in the United States.

52.

The complete line of DOMINO food products is sold throughout the United States to all types of food-away-from-home establishments for distribution to their patrons. DOMINO portion control products are seen in such restaurants as "Big Boy's" and "Lyon's"; such pizza parlors and pizza chains as "Pizza Inns", "Pizza Hut", and "Shakey's Pizza Parlors"; institutional cafeterias such as the Los Angeles Zoo; amusement parks such as Busch Gardens; hospitals such as St. Luke's Hospital and New York University Medical Center; department store eating facilities such as "Woolworth Harvest House" and "Korvettes Coffee Shops"; and take-out food stores such as "Pup 'n Taco."

53.

While sales of DOMINO food products other than sugar are less than that for sugar, the cumulative sales of DOMINO portion control food products exceed $40,000,000 since 1971. They currently are running at the rate of about $14,000,000 per year, or 1.8 billion packets annually.

54.

As a result of the widespread use of the DOMINO mark on food products which are distributed wherever food is sold

away-from-home, the mark DOMINO has become exceedingly well-known to patrons of restaurants and food service establishments as a single source of many food products. There is hardly an adult living in the United States today who has not encountered plaintiff's DOMINO trademark on restaurant tables and counters.

55.

Defendants admit that plaintiff is the owner of the trademark DOMINO for sugar and for use in connection with several condiments.

D. Plaintiff's future expansion under the DOMINO trademark.

56.

Plaintiff changed its corporate name in 1970 from American Sugar Company to Amstar Corporation. Under the DOMINO banner, plaintiff's operations have expanded well beyond its beginnings in sugar refining.

57.

Plaintiff has had since at least 1960 a policy of deliberate expansion into new products and market areas. Plaintiff continuously has created and marketed new food products. Studies have also been conducted by plaintiff into the possibility of entering the complete meal market and into the possibility of acquiring or opening a fast-food restaurant chain to serve the expanding needs of the food-away-from-home market. Plaintiff continues to have serious interest in making acquisitions in the food distribution area.

Findings of Fact

58.

The consuming public recognizes that as a result of diversification and consolidation, food processing and distributing companies engage in the manufacture and sale of many food products. Large food companies manufacture and distribute pizza, particularly frozen pizza, and dry, packaged pizza mixes, sold in grocery stores and supermarkets. By way of example, Pillsbury manufactures pizza under the TOTINO'S mark; Beatrice Foods under the LAMBRECHT mark; Quaker Oats under the CELESTE mark; Fairmont Foods under the ARRIVEDERCI, COLOMBO and GINO'S marks; General Mills under the SALUTO mark; and International Multifoods under the GUSTO mark (in Canada).

59.

The public also realizes that major food companies provide restaurant services in addition to the processing and sale of food products. For example, Consolidated Foods operates LYON'S restaurants and sells UNION sugar; General Foods operates BURGER CHEF fast-food restaurants and sells KOOL-AID drink mixes; Heublein operates KENTUCKY FRIED CHICKEN fast-food restaurants and sells ITALIAN SWISS COLONY wine; Pet operates STUCKEY'S roadside stores and sells PET dairy products; Pillsbury operates BURGER KING fast-food restaurants and sells SWEET 10 artificial sweeteners and PILLSBURY flour; Ralston-Purina operates JACK-IN-THE-BOX fast-food restaurants and sells RALSTON cereals; Quaker Oats operates MAGIC PAN restaurants and sells QUAKER OATS cereals; and Royal Crown operates ARBY'S fast-food restaurants and sells RC cola beverages.

60.

Major food competitors, including sugar competitors of plaintiff, operate chains of pizza stores which compete with defendants. "Shakey's Pizza Parlors" are owned by Great Western United (G-W and GODCHAUX sugars); "Pietro's Pizza Parlors" are owned by Campbell Soup Co.; and "Pizza Hut" is a division of Pepsico (Pepsi Cola beverages and FRITOS snack foods). Many of these competitive pizza restaurants serve coffee together with DOMINO sugar, or purchase other DOMINO portion control products, e.g., salt and pepper for application to the pizza.

61.

As a result of plaintiff's widespread use, advertising and promotion of the DOMINO trademark on a great variety of food products, the consuming public is very likely to believe that DOMINO's Pizza, sold in a separate food store outside of the supermarket, is in some way or manner sponsored by or affiliated with, or connected with, or emanates from plaintiff.

E. Defendants' business and plaintiff's trademark DOMINO.

62.

Prior to 1965, defendant DPI was in the business of operating three or four pizza restaurants in the Ypsilanti, Michigan area under the name "Dominick's Pizza King." It had never used the name DOMINO or DOMINO'S. On March 24, 1965, it filed an assumed name certificate in the

Washtenaw County, Michigan Courthouse, showing a change in the name of the restaurants to DOMINO'S. Defendant's advertising of the DOMINO'S pizza restaurants commenced about April 27, 1965. The first use by defendant of the DOMINO'S mark was long subsequent to plaintiff's use of the mark DOMINO for sugar and after plaintiff's expansion of the use of its DOMINO mark from sugar and sugar related products to other food products distributed to the food service trade.

63.

The marks or names DOMINO'S and DOMINO'S PIZZA are so similar to plaintiff's famous mark DOMINO in sound and appearance that the public cannot always perceive any differences between them. The possessive form of DOMINO'S is almost synonymous with DOMINO. Indeed, defendant DPI's own advertising and documents frequently do not use the possessive form.

64.

Defendant DPI was not incorporated as Domino's Pizza, Inc. until 1967 when its corporate name was changed from Dominick's Pizza King, Inc. to Domino's Pizza, Inc. In 1969, defendant DPI changed its name to Domino's, Inc. In 1972, it changed the name back to Domino's Pizza, Inc. Defendant DPI has caused to be incorporated a proliferation of corporations for carrying out its business, some of which include the name "DOMINO'S".

65.

When it first adopted the DOMINO'S mark in 1965, defendant DPI, through its founder and president Thomas

Monaghan, was well aware of plaintiff's use of its famous DOMINO mark. At that time defendant DPI did not seek advice of counsel as to whether the name DOMINO's was available for adoption and use, nor did it obtain a trademark search.

66.

Although defendants' retail stores have sold and continue to sell primarily made-to-order pizza pies and carbonated beverages, from time to time some of defendants' stores have sold other food products, such as sandwiches. Indeed, DPI changed its name to "Domino's, Inc." because the word "pizza" was considered too limiting. There are no restrictions in defendant DPI's franchise agreements preventing franchisees from expanding the line of products to include frozen pizza or coffee with sugar.

67.

Defendants' modest initial success from 1965 to 1968 in selling its food products under the DOMINO's name was followed by a sharp financial decline from 1969 to 1972. From the initial three pizza parlors using the DOMINO's name in the Ypsilanti area, defendant DPI expanded to 42 stores in three states by 1969. Only one of those stores was outside Michigan and Ohio. Many of them were franchised stores. However, the popularity of the DOMINO's pizza parlors dropped significantly, and by the end of 1970, only 32 stores were still in operation. This period of near bankruptcy continued until about late 1972.

Findings of Fact

68.

In June 1968, defendant DPI applied to register in the U.S. Patent and Trademark Office the marks DOMINO'S and DOMINO'S and Design for "restaurants and catering services" and for "rendering technical assistance to others in all phases of establishing and operating restaurant and catering services." Plaintiff learned of these applications in about June 1970 when they were published for opposition in the Official Gazette of the Patent and Trademark Office. Plaintiff promptly filed Notices of Opposition to the applications. Defendant DPI defaulted and judgment was granted to plaintiff.

69.

Having learned of defendant DPI from the publication of the applications for registration, plaintiff sent defendant DPI a notice in January of 1971 suggesting that defendant change the names DOMINO'S and DOMINO'S PIZZA and advised that plaintiff was prepared to take steps to avoid the unauthorized use of its trademark. Defendant received the communication but failed to respond to the notice and continued to use the names.

70.

After receiving and failing to respond to plaintiff's notice of January 1971, defendant DPI was able to alleviate its financial problems and commenced an aggressive expansion program. With full knowledge of plaintiff's trademark rights, defendant DPI opened about 200 stores following its receipt of plaintiff's letter. It opened about 55 stores in

the last six months before the trial. Since 1976, it has opened over 125 stores.

71.

Defendant DPI made another attempt in October of 1972 to register in the U.S. Patent and Trademark Office the mark DOMINO'S PIZZA and Design. Although the application initially was rejected as likely to cause confusion with several of plaintiff's DOMINO registration, defendant's attorney handling the application for registration, in a telephone conversion with an examiner in the U.S. Patent and Trademark Office apparently managed to persuade the examiner to permit the application to be published for any opposition. Plaintiff learned of the application and gave defendant DPI notice in November of 1974 that it intended to oppose the application. Before the period for filing the Notice of Opposition had run, however, defendant DPI withdrew its application thereby preventing for the second time a determination of the right to register the mark in the Patent and Trademark Office. At the same time, that is, in November of 1974 plaintiff again advised defendant DPI that it was prepared to take legal action to protect its trademarks. Defendant DPI refused to discontinue the use but did withidraw its application.

72.

Plaintiff never acquiesced in the use of DOMINO'S or DOMINO'S PIZZA by defendants. Plaintiff never gave defendants any assurance, whether express or implied, that it would not assert its trademark rights. To the contrary,

plaintiff threatened legal action and sought on two occasions to pursue defendant DPI before the tribunals of the Patent and Trademark Office, but defendant DPI avoided a determination of the right to register the marks.

73.

In 1975 and 1976, after this action was brought by plaintiff, defendant DPI instituted a large-scale program to change substantially all the signs, printed materials and decorations in all its company-owned and franchised stores. The cost of the sign changes for the franchised stores was borne by their owners, not by defendant DPI.

74.

Defendants use the names DOMINO'S and DOMINO'S PIZZA on their packaging and printed materials, including pizza cartons, beverage cups and napkins.

75.

The name DOMINO'S frequently is used by defendants as such and without the use of the word "pizza" in connection with the sale of pizza, beverages and ingredients for making pizza. Defendants' menus and promotional coupon flyers in some instances refer to DOMINO'S alone and in letters far larger than the words which follow. Defendants' employees are instructed to answer the telephone referring only to "DOMINO'S". Several of defendants' stores have exterior signs which read only "DOMINO'S" without reference to "PIZZA". Defendant DPI's "Operations Manual" suggests that the store be referred to as "DOMINO'S".

Findings of Fact

76.

More than 80% of defendants' business is delivery. Therefore, the DOMINO'S PIZZA mark is viewed by the public primarily in its telephone directory listings, on its pizza cartons and beverage cups when the pizza pies and beverages are delivered, and in local newspaper advertisements. The recommended delivery area for a store is limited to 1½ mile radius.

77.

Defendants' volume of business has increased substantially since adopting the name DOMINO'S. The current average gross sales of each of defendant's stores is about $260,000 per year. The use of the name DOMINO'S is a substantial asset in selling pizza and beverages, just as it is in selling plaintiff's food products.

78.

Defendant DPI sells and arranges for the sale of supplies, including sugar, salt and pepper, to both its company-owned stores and franchises. To this end, defendant DPI operates or controls kitchens and/or commissaries including "Domino's Ohio Commissary, Inc." and "Domino's Pizza Commissary, Inc.", which sell such supplies. The kitchens and/or commissaries sell dough, cheese, tomato sauce, pepperoni, mushrooms, sausage, cups, boxes and napkins, among other products. The kitchens and/or commissaries purchase their supplies of food products, including sugar, salt and pepper, in bulk from various sup-

pliers and repackage the items for sale under the marks DOMINO'S and DOMINO'S PIZZA. Plaintiff's DOMINO sugar is sometimes used by defendants in making pizza, but defendants do not purchase the sugar directly from plaintiff.

79.

Defendant DPI also arranges with others, such as Seasoning Mills, Inc. of Detroit, Michigan, to use the DOMINO'S name in selling food products to DPI company-owned stores and franchises. Defendant DPI has provided Seasoning Mills with its so-called "secret formulas" for pizza sauce and dough. Dough mix, dough packet mix and sauce mix prepared by Seasoning Mills contain substantial amounts of salt and pepper. Two-thirds of the sauce mix comprises sugar, salt and pepper. The dough packet mix, sold under the name "DOMINO'S dough packet mix", is comprised entirely of salt (57% by weight) and sugar (43% by weight).

80.

Defendant DPI competes with plaintiff in the sale of sugar and sugar related products to defendant's franchised stores. The franchisees have an option of purchasing such food products from anyone.

81.

In May 1970, defendant Pizza Enterprises, Inc. was authorized by defendant DPI to operate, license and franchise others to operate DOMINO'S pizza restaurants in the State of Georgia. Pursuant to that authorization, Pizza

Enterprises licensed others, including operators of restaurants in Atlanta, Athens, and Thomasville, to use the name in Georgia. It also operated stores and licensed others to do so in Florida and Alabama. The Atlanta store was operated by defendant Atlanta Pizza, Inc. In July 1975, defendant Pizza Enterprises purported to assign its franchise agreement and distributor rights to defendant Pizza Services, Inc., a related company. Defendant DPI did not acquiesce in the assignment, but took no action with respect to the continued use of the name. Defendant Pizza Services subsequently changed its corporate name to K2, Inc. a/k/a Kilby Kompanies, Inc. Defendant Pizza Services also provided supplies to those stores. In August 1976, defendants Pizza Enterprises, Pizza Services and Atlanta Pizza ceased use of the names DOMINO'S and DOMINO'S PIZZA in Georgia, and changed the names of at least some of their facilities to "The Original Pizzaman." Nevertheless, in September 1978, defendant Hanna Creative Enterprises, Inc., which had taken over operation of the Atlanta store formerly operated by defendant Atlanta Pizza, changed the name of that store back to DOMINO'S, pursuant to license from defendant DPI. Defendant Hanna presently operates a DOMINO'S pizza restaurant at 1405 Oxford Road, N.E., Atlanta, Georgia. David K. Kilby was, or is, the principal and controlling officer of each of defendants Pizza Enterprises, Pizza Services and Atlanta Pizza, and currently is director of franchising of defendant DPI.

F. Plaintiff's products and defendant's products as related goods and services.

Findings of Fact

82.

The products sold by plaintiff under the DOMINO mark are related to the products sold by defendants under the DOMINO'S mark. Sugar, salt and pepper are ingredients used in making pizza dough and sauce, and sugar is a principal ingredient in beverages distributed by defendants such as COCA-COLA. Salt and pepper also are condiments customarily used together with pizza pies, although not distributed by defendants.

83.

Condiments such as those distributed by plaintiff under the DOMINO mark may be used on sandwiches such as those sold in the past in at least one of defendants' restaurants. Many of defendants' stores distribute DOMINO'S PIZZA coffee cups supplied by defendant DPI for use as premiums.

84.

The consuming public considers sugar to be a related food product to pizza and has become accustomed to seeing sugar and frozen pizza (and dry pizza mixes) sold together under the same brand name, particularly in supermarkets. Grand Union and Pathmark are two large supermarket chains which sell both sugar and frozen pizza under the same trademark, GRAND UNION and PATHMARK, respectively.

85.

Defendant DPI has considered the sale of and has sold experimentally frozen pizzas to the public in restaurants

and bars operated by others. At least one of defendant DPI's franchisees sold frozen pizza for a period of time.

86.

Patrons of restaurants, pizza parlors and fast-food chains have come to recognize plaintiff's DOMINO sugar and condiments which are distributed in a great many such restaurants, pizza parlors and fast-food establishments throughout the country. Plaintiff justifiably is concerned that its customers will associate defendants' food products with plaintiff.

87.

In light of the public's knowledge of the propensity of food companies to expand their businesses into a wide variety of food products and food-related services, the purchasing public is likely to mistakenly believe that defendants' use of the name DOMINO'S in connection with sugar and other food products customarily distributed in restaurants, pizza parlors and fast-food establishments are somehow connected, associated or affiliated.

88.

In recent years, there has been a trend toward the sale of hot prepared pizza and other fast foods by supermarkets. The same class of consumers purchase fast foods and shop in supermarkets.

G. Actual Confusion.

89.

Evidence of actual confusion is difficult to uncover, particularly when relatively low-priced consumer products are

involved, because the public is less likely to take the time to complain. Three instances of actual confusion are known here. First, a former employee of defendant DPI was asked by an individual if defendant DPI had any connection with the DOMINO sugar company. Second, a statement was received by an officer of Domino's Pizza Commissary, Inc., misaddressed to "Domino Sugar." Third, customers of a franchisee of defendant DPI have inquired whether its operation was that of DOMINO sugar or a part thereof.

90.

At the request of plaintiff's attorneys, but without any guidance by plaintiff or its attorneys, Russ Haley & Associates, Inc. conducted consumer research to determine the nature and extent of the products, if any, that consumers associate with the company that makes DOMINO's pizza.

(a) In August 1977, Dr. Haley, Professor of Marketing at the University of New Hampshire, retained an independent organization to conduct a personal intercept study. This was to insure that neither any of the interviewers nor any of the interviewees had any knowledge of the purpose of the study or the identity of the client.

(b) The study was conducted among a "universe" of the persons who are primarily responsible for the food-buying decisions in their households. Personal interviews were conducted in ten geographically dispersed markets east of the Mississippi River, i.e., Atlanta; Boston; Chattanooga; Cleveland; Harrisburg, Pennsylvania; Indianapolis; Louisville; Pittsburgh; Portland, Maine; and Westchester County, New York.

(c) From the relevant universe, Dr. Haley selected a "random sample" of 525 persons to be interviewed. The random sample obtained properly represented the universe of customers being studied.

(d) The study was conducted in the homes of the interviewees—the place where they are most likely to see DOMINO's Pizza. Each qualified interviewee was shown an actual DOMINO's box, and then asked the foundation question, "Do you believe that the company which makes this pizza makes any other products?" 44.2% responded affirmatively. Those respondents answering "Yes" to the question were then asked, "What products other than pizza do you think are made by the company that makes Domino's Pizza?" 72% of this "yes" group thought that the other product was "sugar."

(e) A very significant number of consumers—31.6% of all 525 respondents and 72% of those respondents who believe that the company that makes DOMINO's pizza makes products other than pizza—mistakenly believe that the company that makes DOMINO's pizza also makes sugar. The results suggest substantial confusion between DOMINO's Pizza and DOMINO sugar. This properly conducted and fair survey is entitled to substantial weight as evidence of confusion among the consuming public.

91.

At the request of defendants' attorneys, Darden Research Corporation conducted a survey among purchasers of DOMINO's pizza. The design and conduct of this survey was such that any likelihood of confusion was minimized.

Findings of Fact

(a) The study was prepared with the close cooperation and guidance of defendant DPI and its attorneys. Defendants' attorneys helped formulate the questionnaire, selected the universe of persons to be studied, and directed Mr. Darden to make basic assumptions which pertain to the validity of the survey.

(b) The universe of persons studied by Darden was not the food-purchasing public generally but rather the customers of DOMINO's pizza who had placed orders during the period when the study was being conducted. The universe did not include all of the pizza purchasing public or even the persons familiar with DOMINO's pizza.

(c) The sample of persons who were interviewed was not a "random sample." 700 interviews were conducted in seven small market areas: Virginia Beach, Va.; Fairborn, Ohio; Whitehall, Ohio; Coral Gables, Fla.; North Canton, Ohio; Ann Arbor, Mich.; and Syracuse, New York. The sample comprised 63.6% of interviewees under the age of 25, 45.1% students, 61.9% single persons, and 63.3% males. Heavier users of DOMINO's pizza had a higher probability of being interviewed than more infrequent customers. The sample generally comprised persons who would be expected to be more aware of DOMINO's pizza, but less likely to be aware of DOMINO sugar or other food products than the purchasing public. Indeed, only 42.3% of the interviewers had even heard of DOMINO sugar (as determined by an aided awareness question), and only 43% had purchased any brand of sugar within the last six months. Mr. Darden admitted that the sample in no way represents any cross-section of the American population.

(d) The manner in which the interviews were conducted was improper. Mr. Darden's own employees, some of whom were told the purpose of the survey and all of whom suspected the identity of the client, conducted the interviews. Defendants' employees who cooperated with the study also were aware of the desired results. The risk of bias is very high under these circumstances.

(e) The locations where the interviews were held were contaminated. As to the interviews taken in the homes, the results were contaminated because defendants' employees were present during the interviews. In the interviews taken in the stores, the results are biased because the interviewees could look around and determine what was being sold in the store. Large menus on the walls were visible during the course of the interviews. Under the circumstances, it is extremely unlikely that anyone would have thought that sugar is a product sold in a DOMINO'S pizza store in which he or she was present.

(f) The Darden questionnaire was not prepared in accordance with generally accepted standards of objective research. In the first question of the complicated questionnaire, the interviewees were each asked:

> "Some companies make one product only; other companies make more than one product. Have you ever thought that DOMINO'S PIZZA *made any other product* besides pizza?"

If the interviewer answered "Yes" to the first question, he or she was then asked question 1a:

"What other products have you thought DOMINO PIZZA has been making?"

Mr. Darden did not refer to the "company" behind DOMINO's pizza, which term was in his original draft questionnaire, but was deleted at the request of defendants' attorneys. The revised question predisposes the interviewees to think in terms of a neighborhood pizza store, rather than in terms of a larger sponsoring or franchising entity making more than one product.

(g) The second question of the Darden study was:

> "Here is a list of products. Please look over it carefully. Have you ever seen or heard the *name 'Domino'* being used as a *Name* or *Brand Name* for any of these products?"

The list of products which included "sugar" was prepared by defendants' attorneys. If the answer to the question was "Yes", the interviewee was asked question 2a, "Which Ones?". If "sugar" was one of the ones mentioned, then the interviewee was asked question 2c:

> "Does the same company that makes DOMINO'S PIZZA make DOMINO Sugar?"

If he or she answered "Yes" or "Don't Know" to question 2c, question 2d was asked:

> "Were you influenced in any manner whatsoever in purchasing DOMINO'S PIZZA by the possibility it might be made by *the same company* that makes sugar?"

Of the 412 persons asked question 2a, 296 mentioned "sugar" (72% of those asked the question). Question 2c was asked only of the 296 persons who mentioned "sugar"

in question 2a, and of those, 13 thought there was a connection between the company that makes DOMINO's pizza and the one that makes DOMINO sugar, and therefore, were "confused". 105 persons of the 296 interviewees asked question 2c did not know whether the same company makes both products. Disregarding the "Don't Know" responses, 13 persons out of the 191 persons (6.8%) who answered question 2c either "Yes" or "No" were confused, a significant number.

(h) In the Darden study, there were a substantial number of erasures and changes in the recorded answers. There was a deliberate failure to record the answers of persons who obviously were confused. Interviewees were counted who should have been disqualified as a result of young age, relationship with defendants, or knowledge of this litigation. This unfair and biased survey is not entitled to any weight or credibility as evidence of confusion.

II. Defendants' cited third-party uses.

92.

Defendants rely upon various third-party uses of the mark DOMINO in seeking to show that plaintiff's rights in the mark DOMINO are limited, or that plaintiff's mark has lost some of its distinctiveness. All of the cited uses are long abandoned, remote as to goods or geography, or small, obscure and localized. None of these uses have had any effect on the public's perception of plaintiff's DOMINO trademark as the source of food products bearing that mark. There is no national, or even regional, food company today which uses the mark DOMINO for any food products sold for

human consumption to the consuming public in the United States other than plaintiff and defendants, and there have been no other users for more than a decade.

93.

The following third-party uses cited by defendants do not relate to food products or services, and are irrelevant to the scope of plaintiff's rights in the DOMINO trademark:

(a) Larus & Brother Co. sold DOMINO tobacco and cigarettes from about 1885 until 1974. At that time, it licensed this declining brand having very limited distribution to another tobacco company. There has been no advertising at least since 1933, except for one billboard. Sales have declined to a rate of less than 4,000 cartons per month.

(b) Diamond International Corp. has sold DOMINO woodstick matches since about 1905. The matches are of the strike-anywhere type which are prohibited by various local laws. There has been no advertising directed to the public for decades. It is a declining brand.

(c) Viviane Woodard Corp. sold DOMINO men's toiletries and fragrances through door-to-door salespersons during the 1968 Christmas season. The left-over stock was sold off during a few subsequent seasons. The product was unsuccessful and there was no national advertising. Viviane Woodard was abandoned by its owner and went out of business in 1976.

Findings of Fact

94.

The following "ancient" third-party uses have long been abandoned, and hence do not affect the scope of plaintiff's rights in the DOMINO mark.

(a) California Packing Corp. and predecessor companies sold DOMINO canned fruits and vegetables in limited quantities in California from about 1920 until about 1940. The products never were advertised. The mark DOMINO has not been used since that time.

(b) Domino Danzero, Springfield, Missouri, operated a "Domino's Bakery" in that city from about 1912 until the early 1920's, when it closed. His BUTTER KRUST and HONEY NUT bread was delivered only within 60 miles of Springfield. He and subsequent owners also sold macaroni under the name "Domino's Bakery & Macaroni Co." from about 1916 to 1943, when the plant burned down. The marketing area and extent of sales of the macaroni products are unknown, although it was shipped to several adjacent states. There is no evidence of any advertising. The name "Domino's" was never used again after 1943.

(c) Lookout Oil & Refining Co. sold DOMINO shortening and cooking oil in Tennessee and surrounding states, principally to state institutional customers, such as homes for the aged, from about 1918 to 1966. The mark was abandoned at that time and the plants were sold. There was no advertising other than in local newspapers and trade magazines.

(d) Myles Salt Co. sold DOMINO salt in Louisiana from about 1941 to about 1947. The marketing area and extent

of sales of the product are unknown. There is no evidence of any advertising. The mark was abandoned in about 1947, when the company was bought out.

(e) Domino Citrus Association and Domino Canning Association, Bradentown, Florida, and their predecessor or related companies, sold DOMINO citrus fruits and fruit juices from about 1924 until about 1958, primarily on the East Coast. Use of the mark was then discontinued and the plant was closed. Advertising expenditures were minimal.

95.

The following third-party uses are very small, obscure and localized, are not engaged in interstate commerce, and are known by such few people as to not affect plaintiff's DOMINO trademark rights:

(a) Vincent and Theresa Claps, Chicago, Illinois, operate "Domino's Pastries", a small bakery in a residential neighborhood of Chicago.

(b) Philip Klinsky, Chicago, Illinois, operates "Domino Foods", a small convenience store in the basement of an apartment building in a Chicago residential neighborhood.

(c) Sam Domino, Metairie, Louisiana, operates "Domino's Restaurant and Pizzeria", a small restaurant in a New Orleans suburb.

(d) Dominick Leuci, Brooklyn, N.Y. operates "Domino's Pizza", a small pizza parlor in the residential area of Canarsie, Brooklyn.

(e) Jeffrey Resnick, Bronx, New York operates two modest "Domino Supermarkets" in outlying residential neighborhoods in the Bronx.

(f) Vincent Mazzola, Brooklyn, New York, operates "Domino Foods", a small luncheonette and donut shop in a warehouse district of Manhattan.

96.

The following third-party uses do not come to the attention of the American public and have no bearing on the extent of plaintiff's rights in the DOMINO mark:

(a) Seald-Sweet Growers, Tampa, Florida and predecessor companies, functioned as a marketing agency for cooperatives of Florida citrus growers. Since 1958, Seald-Sweet had sold DOMINO citrus fruits and canned fruit juices exclusively for export from the United States. The consuming public in this country does not see the DOMINO trademark in association with citrus fruits and canned juices.

(b) General Mills Corp. has sold DOMINO yeast raised donut mix in 50 and 100 pound bags since about 1959. This is a specialized product sold only to the bakery trade for use in making donuts to be sold under other names and marks. The consuming public never sees the DOMINO trademark in association with the donuts. This is a minor brand for General Mills with very minimal sales and trade advertising.

97.

Plaintiff has not acquiesced in the use of DOMINO by third-party users. Plaintiff objected to many of these uses and filed successful oppositions against others in the Patent and Trademark Office.

98.

"Domino" is not primarily merely a surname. Even if it is a surname, this does not affect the public's perception and recognition of DOMINO as a trademark for food products. Indeed, only one witness in this action has the surname "Domino." No one associated either with plaintiff or defendants bears that surname. It is also irrelevant that "dominoes" is the name of a game.

Conclusions of Law

A. Plaintiff is entitled to relief.

1.

This court has jurisdiction over the subject matter and the parties to this action and venue properly lies in this district. 15 U.S.C. § 1121; 28 U.S.C. §§ 1338(a) and (b), 1391(b) and (c).

2.

Plaintiff is the owner of the trademark DOMINO, which is arbitrary and fanciful as applied to food products and is a strong and famous mark which distinguishes the source of such food products. American Sugar Ref. Co. v. Continental Distilling Corp., 138 USPQ 649, 650 (T.T.A.B. 1963); Tisch Hotels, Inc. v. Americana Inn, Inc., 350 F.2d 609, 611, 146 USPQ 566, 567-568 (7th Cir. 1965).

3.

By virtue of plaintiff's long use, extensive sales, promotion and advertising, and nearly 100% public recognition, the distinctive mark DOMINO has come to indicate plaintiff as the source of many food products. Beef/Eater Restaurants, Inc. v. James Burrough Ltd., 398 F.2d 637, 639-40, 158 USPQ 562, 563-565 (5th Cir. 1968); Turner v. HMH Publishing Co., 380 F.2d 224, 227-28, 154 USPQ 330, 331-333 (5th Cir. 1967), cert. denied, 389 U.S. 1006, 156 USPQ 720 (1967).

4.

Plaintiff is the owner of the trademark DOMINO for food products sold to the food service trade, including restau-

rants, cafeterias, pizza parlors and other fast-food establishments, throughout the United States for distribution to consumers. Carling Brewing Co., Inc. v. Philip Morris, Inc., 297 F.Supp. 1330, 160 USPQ 303 (N.D. Ga. 1968); Tisch Hotels, Inc. v. Atlanta Americana Hotel Corp., 254 F.Supp. 743, 749, 149. USPQ 256, 260-261 (N.D. Ga. 1966).

5.

Plaintiff is the owner of the following registrations for the trademark DOMINO issued by the U.S. Patent and Trademark Office, each of which is valid and enforceable:

Reg. No.	Reg. Date	Goods
37,082	9/17/01	Hard sugar
37,177	10/8/01	Hard sugar
73,099	3/16/09	Hard sugar
812,656	8/9/66	Mustard packaged in individual servings
812,657	8/9/66	Ketchup packaged in individual servings
813,101	8/16/66	Salt
816,113	8/16/66	Pepper packaged in individual servings
920,834	9/21/71	Jams and jellies
927,856	1/25/72	Salad dressing, mayonnaise and cucumber relish
1,108,831	12/12/78	Non-dairy powdered cream substitute

6.

Each of plaintiff's registrations is "incontestable" (except the last) within the meaning of the Trademark Act and constitutes conclusive evidence of plaintiff's exclusive right

to use the registered marks for the stated food products. 15 U.S.C. §§ 1065, 1115(b); Rolls-Royce Motors Ltd. v. A&A Fiberglass, Inc., 428 F.Supp. 689, 694-915, 193 USPQ 35, 41-43 (N.D. Ga. 1977); Stembridge Products, Inc. v. Gay, 335 F.Supp. 863, 864, 172 USPQ 169, 170-171 (M.D. Ga. 1971).

7.

As the prior users and owner of the famous and celebrated trademark DOMINO for many food products, plaintiff has the exclusive right to use that mark for those food products and all other products and services which the public would expect to emanate from the same source. Continental Motors Corp. v. Continental Aviation Corp., 375 F.2d 857, 861, 153 USPQ 313, 315-316 (5th Cir. 1967); Carling Brewing Co., Inc. v. Philip Morris, Inc., 297 F.Supp. 1330, 1337, 160 USPQ 303, 308-309 (N.D. Ga. 1968); American Sugar Ref. Co. v. Continental Distilling Corp., 138 USPQ 649, 651 (T.T.A.B. 1963).

8.

The test of trademark infringement is likelihood of confusion, mistake or deception. If the public is likely to be confused *either* that defendants' goods emanate from plaintiff or that defendants are sponsored by, endorsed by, or affiliated with plaintiff, then plaintiff is entitled to relief. 15 U.S.C. § 1114(1); Abramson v. Coro, Inc., 240 F.2d 854, 856-7, 112 USPQ 307, 308-309 (5th Cir. 1957); Roto-Rooter Corp. v. O'Neal, 513 F.2d 44, 186 USPQ 73 (5th Cir. 1975); Kentucky Fried Chicken Corp. v. Diversified Packaging Corp., 549 F.2d 368, 388, 193 USPQ 649, 666-667 (5th Cir. 1977).

Conclusions of Law

9.

Defendants have committed trademark infringement because long after plaintiff's first use of DOMINO in association with the sale of food products, defendants commenced using and continue to use the names DOMINO's and DOMINO's PIZZA in connection with the sale of pizza, beverages, sauce mix, dough mix, dough packet mix, and other pizza ingredients, and in operating, franchising and supplying pizza restaurants using those names, and such use is likely to cause confusion, mistake or deception as to both source and sponsorship. Beef/Eater Restaurants, Inc. v. James Burrough, Ltd., 398 F.2d 637, 639-40, 158 USPQ 562, 563-565 (5th Cir. 1968); Turner v. HMH Publishing Co., 380 F.2d 224, 228-29, 154 USPQ 330, 332-334 (5th Cir. 1967), cert. denied 389 U.S. 1006, 156 USPQ 720 (1967).

10.

Use of virtually identical marks for food products distributed to and in food stores to the consuming public is likely to result in confusion, mistake or deception. American Foods, Inc. v. Golden Flake, Inc., 312 F.2d 619, 624, 136 USPQ 286, 289, 290 (5th Cir. 1963) (potato chips, horse radish, roasted peanuts, cooked popcorn, peanut butter and cheese-cracker sandwiches, and dinner rolls); Pure Foods, Inc. v. Minute Maid Corp., 214 F.2d 792, 797, 102 USPQ 271, 274 (5th Cir. 1954), cert. denied 348 U.S. 888, 103 USPQ 424 (1954) (frozen fruit juice concentrates and frozen meats); American Sugar Refining Co. v. Andreassen, 296 F.2d 783, 784, 132 USPQ 10, 11 (C.C.P.A. 1961) (sugar and pet food); American Sugar Refining Co. v. Continental Distilling Corp., 138 USPQ 649, 651 (T.T.A.B. 1963) (sugar

and gin); American Sugar Co. v. Texas Farm Products Co., 159 USPQ 679, 681 (T.T.A.B. 1968) (sugar, cattle feed and fertilizer); Roush Bakery Products Co. v. Ridlen, 190 USPQ 445, 448 (T.T.A.B. 1976) (restaurant services and bread); Filper Corp. v. Fripesca-Frio Pesca Commercio E Industria S/A, 195 USPQ 735, 757 (T.T.A.B. 1977) (canned peaches, tuna and other fish); Arnold Bakers, Inc. v. Food Catering, Inc., 123 USPQ 511 (T.T.A.B. 1959) (restaurant services, and bread, rolls and cookies).

11.

Plaintiff's sugar, condiments and beverage mixes and defendants' pizza, beverages, sauce mix, dough mix, dough packet mix and other pizza ingredients are related food products distributed to the same class of consumers seeking food prepared away from home. Pure Foods, Inc. v. Minute Maid Corp., 214 F.2d 792, 797, 102 USPQ 271, 274 (5th Cir. 1954), cert. denied, 348 U.S. 888, 103 USPQ 424 (1954); In re H. J. Seiler Co., 289 F.2d 674, 129 USPQ 347 (C.C.P.A. 1961) (catering services and meat); In re Dominick's Finer Foods, Inc., 184 USPQ 507, 509 (T.T.A.B. 1974) (supermarkets and frozen pizza).

12.

There is a symbiotic relationship between plaintiff's sugar, salt and pepper, important ingredients used in making pizza and beverages, and defendants' pizza, beverages, dough mix, sauce mix and dough packet mix. Kentucky Fried Chicken Corp. v. Diversified Packaging Corp., 549 F.2d 368, 388, 193 USPQ 649, 666-667 (5th Cir. 1977) (fried chicken and paper supplies); Cudahy Co. v. Manion, 189 USPQ 56, 57 (T.T.A.B. 1975) (pizza and salami).

Conclusions of Law

13.

As many major food companies, including sugar companies, operate restaurants and pizza parlors or distribute frozen or packaged pizza, and as the public realized that major companies have diversified their businesses into related and even unexpected fields, it is likely that the public believes, mistakenly, that DOMINO's pizza parlors are owned, licensed or sponsored by plaintiff. Carling Brewing Co., Inc. v. Philip Morris, Inc., 297 F.Supp. 1330, 160 USPQ 303 (N.D. Ga. 1968); Scientific Applications, Inc. v. Energy Conservation Corp. of America, 436 F.Supp. 354, 358, 195 USPQ 379, 383 (N.D. Ga. 1977).

14.

All consumers should be protected from confusion, mistake or deception, from the experienced and the intelligent to the naive and gullible. Armstrong Cork Co. v. World Carpets, Inc., 448 F.Supp. 1072, 199 USPQ 30 (N.D. Ga. 1978), rev'd on other grounds, 597 F.2d 496, 203 USPQ 19 (5th Cir. 1979); Augusta National, Inc. v. Northwestern Mutual Life Ins. Co., 193 USPQ 210, 221 (S.D. Ga. 1976).

15.

A consumer study conducted by a market research expert, Dr. Russel Haley, established that a significant number of consumers—31.6% of the total sample studied —believed that the company that makes DOMINO's pizza also makes DOMINO sugar. Such a study is entitled to substantial weight as evidence of likelihood of confusion. Grotian, Helfferich, Schulz, Th. Steinweg Nachf. v. Stein-

way & Sons, 523 F.2d 1331, 186 USPQ 436 (2d Cir. 1975); Humble Oil Refining Co. v. American Oil Co., 405 F.2d 803, 817, 160 USPQ 289, 299-300 (8th Cir. 1969), cert. denied 395 U.S. 905, 161 USPQ 832 (1969); James Burrough Ltd. v. Sign of the Beefeater, Inc., 540 F.2d 266, 278, 192 USPQ 555, 564-565 (7th Cir. 1976); Zippo Mfg. Co. v. Rogers Imports, Inc., 216 F.Supp. 670, 137 USPQ 413 (S.D.N.Y. 1963); General Foods Corp. v. Borden, Inc., 191 USPQ 674 (N.D. Ill. 1976).

16.

Although actual confusion is most difficult to discover in cases involving relatively low-priced consumer products, and is unnecessary in proving likelihood of confusion, some evidence of actual confusion or mistake has been found here. Volkswagenwerk A.G. v. Rickard, 492 F.2d 474, 478, 181 USPQ 611, 614 (5th Cir. 1974); World Carpets, Inc. v. Dick Littrell's New World Carpets, 438 F.2d 482, 489, 168 USPQ 609, 614-615 (5th Cir. 1971); Rolls-Royce Motors Ltd. v. A&A Fiberglass, Inc., 428 F.Supp. 689, 695, 193 USPQ 35, 42-43 (N.D. Ga. 1977); Scientific Applications, Inc. v. Energy Conservation Corp of America, 436 F.Supp. 354, 358, 195 USPQ 379, 383 (N.D. Ga. 1977); Stembridge Products, Inc. v. Gay, 335 F.Supp. 863, 865, 172 USPQ 169, 171 (M.D. Ga. 1971).

17.

Decisions of the tribunals of the Patent and Trademark Office in inter partes or other adversarial proceedings on the issue of likelihood of confusion are entitled to weight in

trademark infringement actions. On the other hand, ex parte determinations where the rationale behind the decisions are not of record, are entitled, if any at all, to considerably less weight. Merely because the Office passed defendant DPI's trademark application to publication for any oppositions does not mean that there is no likelihood of confusion with respect to plaintiff's use of its DOMINO trademark. American Heritage Life Ins. Co. v. Heritage Life Ins. Co., 494 F.2d 3, 10, 182 USPQ 77, 81-82 (5th Cir. 1974); Carling Brewing Co., Inc. v. Philip Morris, Inc., 297 F.Supp. 1330, 1337, 160 USPQ 303, 308-309 (N.D. Ga. 1968).

18.

Whether or not defendants acted in good faith in selecting and using the name DOMINO's is not important inasmuch as good faith is not a defense to trademark infringement. American Foods, Inc. v. Golden Flake, Inc., 312 F.2d 619, 626, 136 USPQ 286, 291-292 (5th Cir. 1963); Scientific Applications, Inc. v. Energy Conservation Corp. of America, 436 F.Supp. 354, 359, 195 USPQ 379, 383-384 (N.D. Ga. 1977).

19.

Defendants have falsely designated or represented the sponsorship or endorsement of their pizza restaurants by employing plaintiff's distinguishing mark DOMINO. 15 U.S.C. §1125a; Alum-A-Fold Shutter Corp. v. Folding Shutter Corp., 441 F.2d 556, 170 USPQ 68 (5th Cir. 1971); Boston Pro. Hockey Ass'n, Inc. v. Dallas Cap & Emblem Mfg. Co., Inc., 510 F.2d 1004, 1013, 185 USPQ 364 (5th Cir.

1975), cert. denied 423 U.S. 868, 187 USPQ 480 (1975), rehearing denied 423 U.S. 991 (1975); Rolls-Royce Motors Ltd. v. A&A Fiberglass, Inc., 428 F.Supp. 689, 697, 193 USPQ 35, 44-45 (N.D. Ga. 1977).

20.

Defendants have unfairly competed with plaintiff by selling franchises, operating pizza restaurants and selling food products using plaintiff's celebrated trademark DOMINO. Whether DOMINO is used as a trademark in the sale of goods or a trade name in the rendering of services or both, as here, the law affords plaintiff protection against its appropriation. American Steel Foundries v. Robertson, 269 U.S. 372, 380 (1926); Howard Stores Corp. v. Howard Clothing, Inc., 308 F.Supp. 70, 165 USPQ 230 (N.D. Ga. 1969).

21.

Defendants have engaged in unfair competition under Georgia common law by using plaintiff's mark DOMINO in a manner such as to be likely to cause confusion, mistake or deception. Kay Jewelry Co. v. Kapiloff, 204 Ga. 209, 49 S.E.2d 19, 81 USPQ 293 (1948).

22.

Defendants have committed deceptive trade practices in violation of the Georgia Uniform Deceptive Trade Practices Act Ga. Code Ann. § 106-702; Rolls-Royce Motors Ltd. v. A&A Fiberglass, Inc., 428 F.Supp. 689, 698, 193 USPQ 35, 45-46 (N.D. Ga. 1977); Baker Realty Co. v. Baker, 228 Ga. 766, 187 S.E.2d 850, 174 USPQ 36 (1972).

Conclusions of Law

23.

Defendants have diluted the distinctive quality of plaintiff's trademark DOMINO. Plaintiff is entitled to protection of its famous and celebrated trademark DOMINO, even in the absence of a relationship between the goods or lacking a showing of likelihood of confusion. Ga. Code Ann. § 106-115; Augusta National, Inc. v. Northwestern Mutual Life Ins. Co., 193 USPQ 210, 221 (S.D. Ga. 1976); Yale Electric Corp. v. Robertson, 26 F.2d 972, 974 (2d Cir. 1928).

B. Defendants' affirmative defenses are of no avail.

24.

Plaintiff is not chargeable with laches. Indeed, fairly and sensibly construed, plaintiff demanded that defendant DPI cease-and-desist from all use of the names DOMINO's and DOMINO's PIZZA, but defendant did not bother to respond and continued to use the names. If anything, this reflects an intent to deceive on the part of defendant, rather than laches on the part of plaintiff. Scientific Applications, Inc. v. Energy Conservation Corp. of America, 436 F.Supp. 354, 359, 195 USPQ 379, 383-384 (N.D. Ga. 1977).

25.

Plaintiff is not chargeable with laches because on three occasions it sought to oppose or opposed attempts by defendant DPI to register the names DOMINO's and DOMINO's PIZZA in the Patent and Trademark Office, but defendant prevented a determination by that Office by defaulting and abandoning its applications. Alfred Dunhill of London, Inc. v. Kasser Distillers Products Corp., 350

F.Supp. 1341, 1364-68, 175 USPQ 586, 602-605 (E.D. Pa. 1972), aff'd per curiam 480 F.2d 917, 178 USPQ 449 (3rd Cir. 1973).

26.

Laches does not bar a permanent injunction, which is the only relief sought by plaintiff. McLean v. Fleming, 96 U.S. 245, 251 (1877); Menendez v. Holt, 128 U.S. 514, 523 (1888); Eastman Kodak Co. v. Fotomat Corp., 317 F.Supp. 304, 316, 165 USPQ 444, 452-453 (N.D. Ga. 1970); Rolls-Royce Motors Ltd. v. A&A Fiberglass, Inc., 428 F.Supp. 689, 696, 193 USPQ 35, 43-44 (N.D. Ga. 1977); Little League Baseball, Inc. v. Daytona Beach Little League, Inc., 193 USPQ 611, 614 (M.D. Fla. 1977).

27.

Even if plaintiff delayed for a short period of time in bringing suit and defendants expanded their business during the interim, any delay was not of a duration sufficient to create legally protectable rights in defendants. Roto-Rooter Corp. v. O'Neal, 513 F.2d 44, 46, 186 USPQ 73, 74-75 (5th Cir. 1975); Blue Bell, Inc. v. Ruesman, 335 F.Supp. 236, 170 USPQ 450 (N.D. Ga. 1971).

28.

Registrations of the DOMINO mark by third parties are irrelevant to the issue of whether the defendants here should be enjoined from using the names DOMINO'S and DOMINO'S PIZZA. Turner v. HMH Publishing Co., 380 F.2d 224, 228 n.2, 154 USPQ 330, 332-333 n.2 (5th Cir. 1967), cert.

denied, 389 U.S. 1006, 156 USPQ 720 (1967); Chips 'n Twigs, Inc. v. Chip-Chip, Ltd., 414 F.Supp. 1003, 1017, 190 USPQ 361, 374-375 (E.D. Pa. 1976).

29.

Third-party uses of a trademark generally are irrelevant or entitled to little weight in cases of trademark infringement. Armstrong Cork Co. v. World Carpets, Inc., 448 F.Supp. 1072, 1078, 189 USPQ 30, 35-36 (N.D. Ga. 1978).

30.

The third-party uses relied upon by defendants are long abandoned and "ancient"; remote as to goods or geography; small, obscure and localized; or do not come to the public's attention. They do not limit plaintiff's right to relief against these defendants. None of them has had any effect on the purchasing public's perceptions. National Lead Co. v. Wolfe, 223 F.2d 195, 204, 105 USPQ 462, 468-469 (9th Cir. 1955), cert. denied 350 U.S. 883, 107 USPQ 362 (1955); Fleischmann Distilling Corp. v. Maier Brewing Co., 314 F.2d 149, 154, 136 USPQ 508, 512-513 (9th Cir. 1963), cert. denied 374 U.S. 830, 137 USPQ 913 (1963); Tisch Hotels, Inc. v. Americana Inn, Inc., 350 F.2d 609, 614, 146 USPQ 566, 570-571 (7th Cir. 1965); Tisch Hotels, Inc. v. Atlanta Americana Hotel Corp., 254 F.Supp. 743, 748-49, 149 USPQ 256, 260-261 (N.D. Ga. 1966); American Sugar Co. v. Texas Farm Products Co., 159 USPQ 679, 681 (T.T.A.B. 1968).

31.

Plaintiff is and was under no obligation to bring infringement actions against all users of its mark to preserve its

right to bring such an action against these defendants. McNeil Labs, Inc. v. American Home Products Corp., 416 F.Supp. 804, 808, 193 USPQ 486, 490 (D.N.J. 1976); Council of Better Business Bureaus, Inc. v. Better Business Bureau of South Florida, Inc., 200 USPQ 282, 294, 295 (S.D. Fla. 1978).

32.

Plaintiff properly obtained Registration No. 813,101 for the trademark DOMINO for salt and defendants have not established any fraud. 15 U.S.C. §§ 1065, 1115(b); L'il Red Barn, Inc. v. Red Barn System, Inc., 322 F.Supp. 98, 105, 167 USPQ 741, 745-746 (N.D. Ind. 1970), aff'd per curiam 174 USPQ 193 (7th Cir. 1972).

33.

Plaintiff made several bona fide sales of DOMINO salt to regular commercial customers prior to its application for registration of the mark DOMINO for salt and this was promptly followed by full-scale production and marketing efforts. This is a common and usual procedure. Each such sale was sufficient in and of itself to properly support plaintiff's application for trademark registration. Blue Bell, Inc. v. Farah Mfg. Co., Inc., 508 F.2d 1260, 1265, 185 USPQ 1, 4-5 (5th Cir. 1975).

34.

In any event, the validity of plaintiff's DOMINO salt registration does not affect plaintiff's common law rights in the mark for those goods. Alfred Dunhill of London, Inc. v. Kasser Distillers Products Corp., 350 F.Supp. 1341, 1369,

175 USPQ 586, 605-606 (E.D. Pa. 1972), aff'd per curiam 480 F.2d 917, 178 USPQ 449 (3rd Cir. 1973).

35.

Plaintiff has not engaged in any misuse which would render its registrations unenforceable and not incontestable. Bringing a trademark infringement action to enforce a federally cognizable right does not constitute misuse or abuse of the registrations. Drop Dead Co. v. S. C. Johnson & Son, Inc., 326 F.2d 87, 95-96, 139 USPQ 465, 470-471 (9th Cir. 1963), cert. denied 377 U.S. 907, 141 USPQ 949 (1964); James Burrough Ltd. v. Lesher, 309 F.Supp. 1154, 1161, 163 USPQ 208, 213-214 (S.D. Ind. 1969).

36.

Defendants' claim of misuse, even if proven, and it has not been, affects only the incontestability of one trademark registration and not the enforceability of plaintiff's common law rights in the mark DOMINO for salt, or any of plaintiff's other DOMINO trademark registrations or common law trademark rights in DOMINO. Carl Zeiss Stiftung v. V.E.B. Carl Zeiss, Jena, 298 F.Supp. 1309, 1313, 116 USPQ 414, 417-418 (S.D.N.Y. 1969), aff'd 433 F.2d 686, 167 USPQ 641 (2d Cir. 1970), cert. denied 403 U.S. 905, 170 USPQ 1 (1971).

C. Plaintiff is entitled to a permanent injunction.

37.

Plaintiff is entitled to a permanent injunction against defendants' use of the names DOMINO'S and DOMINO'S PIZZA

in association with the sale of pizza, beverages, dough mix, sauce mix, dough packet mix and other pizza ingredients, and franchising, operating and supplying pizza restaurants. 15 U.S.C. § 1116; Ga. Code Ann. § 106-115; Ga. Code Ann. § 106-703(a); Abramson v. Coro, Inc., 240 F.2d 854, 857, 112 USPQ 307, 308-309 (5th Cir. 1957); Pure Foods, Inc. v. Minute Maid Corp., 214 F.2d 792, 797, 102 USPQ 271, 274 (5th Cir. 1954), cert. denied 348 U.S. 888, 103 USPQ 424 (1954).

38.

Plaintiff is entitled to recover its costs.

D. Defendants DPI is not entitled to relief on its counterclaims.

39.

Defendant has no basis for its first counterclaim seeking cancellations as a result of plaintiff's alleged fraud in securing trademark Registration No. 813, 101 for DOMINO for salt, as plaintiff did not engage in any improper or fraudulent behavior.

40.

Defendant has no basis for its second counterclaim seeking a declaration that plaintiff's DOMINO trademark registrations are unenforceable and not incontestable as a result of alleged misuse and abuse of same in bringing this suit because plaintiff has not misused or abused its trademark registrations by bringing this suit. Drop Dead Co. v. S.C. Johnson & Son, Inc., 326 F.2d 87, 139 USPQ 465 (9th Cir. 1963), cert. denied 377 U.S. 907, 141 USPQ 949 (1964).

41.

Each of defendants' counterclaims should be dismissed.

Final Judgment and Decree

Having made the within and foregoing findings of fact and conclusions of law, it is hereby ORDERED, ADJUDGED and DECREED that after three (3) months from this date, defendants, their attorneys, agents, employees, servants, representatives, licensees, franchisees, successors and assigns, and all others in privity with them, as well as any and all other persons acting pursuant to, through, by, or under the authority of any of the above, are hereby permanently ENJOINED from using the names DOMINO's and/or DOMINO's PIZZA in association with the sale of pizza, beverages, dough mix, sauce mix, dough packet mix and other pizza ingredients; from franchising, licensing, operating and supplying pizza restaurants using the names DOMINO's and/or DOMINO's PIZZA; from performing any other act likely to confuse the public into believing that defendants' products or services emanate from plaintiff or that defendants are in any way connected, associated, sponsored, or affiliated with or sanctioned or approved by plaintiff; and from doing any act likely to dilute plaintiff's trademarks; provided, however, that during the aforesaid three (3) months defendants are hereby allowed to expend in the regular course of their business usage any existing supplies of expendable materials such as cartons, cups, napkins and the like containing the names DOMINO's and/or DOMINO's PIZZA; provided further, that when such supplies are exhausted, or at the expiration of the aforesaid three (3) months, whichever first occurs, the names DOMINO's and/or DOMINO's PIZZA shall not appear on same.

Defendants' counterclaims are hereby DISMISSED and the Clerk of Court is hereby ORDERED to enter final judgment in favor of plaintiff and against defendants, plaintiff to have its costs.

It Is So Ordered.

Amendment to Order and Final Judgment of September 11, 1979

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

CIVIL ACTION

No. 75-1895A

AMSTAR CORPORATION,

Plaintiff,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Defendants.

The ORDER AND FINAL JUDGMENT of this court entered September 11, 1979, consisting of Findings of Fact, Conclusions of Law and Final Judgment and Decree, is hereby amended because of an inadvertent omission in paragraph 87 of the Findings of Fact, so that the aforesaid paragraph 87 is deleted in its entirety and a new paragraph 87, in lieu thereof, is substituted as follows:

87.

In light of the public's knowledge of the propensity of food companies to expand their businesses into a wide variety of food products and food-related services, the purchasing public is likely to mistakenly believe that defendants'

use of the name DOMINO'S in connection with "food store services" and plaintiff's use of DOMINO in connection with sugar and other food products customarily distributed in restaurants, pizza parlors and fast-food establishments are somehow connected, associated or affiliated.

In all other respects, the ORDER AND FINAL JUDGMENT of September 11, 1979 remains unchanged.

IT IS SO ORDERED.

This, the 19th day of October, 1979.

RICHARD C. FREEMAN
United States District Judge

Order Amending Final Judgment and Decree

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

CIVIL ACTION

No. 75-1895A

AMSTAR CORPORATION,

Plaintiff,

vs.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Defendants.

Defendants' Motion to Suspend Injunction and to Defer Costs Pending Appeal, and plaintiff's Motion to Amend Final Judgment and Decree, were argued before the court on November 2, 1979 commencing at 2:00 P.M. in chambers. The hearing was reported and a transcript of same is expected momentarily. After due consideration, the parties' motions are each granted in part and denied in part.

By their motion, defendants seek to stay the court's injunction of September 12, 1979, thus maintaining, in their words, the "status quo" pending appeal so as to allow them to continue to franchise, license or open new, or additional, restaurants under the names DOMINO'S and/or DOMINO'S PIZZA. Plaintiff opposes the motion and moves instead for a clarification of the September 12 injunction to immediately enjoin the franchising, licensing or opening

of any new, or additional restaurants under the names DOMINO'S and/or DOMINO'S PIZZA, contending that the clear import and intent of the September 12 injunction was to maintain for a specified period of time the status quo as of September 12 and to prohibit the opening of any new restaurants under the names DOMINO'S and/or DOMINO'S PIZZA. The court's firm intention was to maintain the status quo as of September 12, 1979 for a period of three months, but concedes that the decree is susceptible to defendants' interpretation that for a period of three months after September 12, 1979, defendants could continue to franchise, license and open new, or additional, restaurants under the proscribed names. Apparently in reliance upon their interpretation, defendants have opened or authorized others to open ten (10) new restaurants under the names DOMINO'S and/or DOMINO'S PIZZA between September 12, 1979 and November 2, 1979.

At the November 2 hearing, plaintiff made certain concessions with respect to defendants' use of the names, and, during a conference held with the court on November 6, 1979, offered to make further concessions for defendants' use of the names DOMINO'S and/or DOMINO'S PIZZA in connection with restaurants existing as of November 2, 1979, but continues to oppose strenuously any new, or additional, restaurants sought to be franchised, licensed or opened after November 2, 1979. Defendants continue to seek a stay of the court's injunction of September 12, 1979 to the extent that they be allowed to continue in operation all of the restaurants existing as of November 2, 1979 as well as new, or additional, restaurants franchised, licensed

or opened in the regular course of their business after November 2, 1979 under the names DOMINO'S and/or DOMINO'S PIZZA pending appeal.

After due consideration of the oral and written arguments of the parties, statements and representations made by counsel to the court, the ORDER AND FINAL JUDGMENT entered September 12, 1979 is hereby AMENDED as follows:

Amended Final Judgment and Decree

Having made the findings of fact and conclusions of law set out in the ORDER AND FINAL JUDGMENT entered September 12, 1979, and having heard defendants' motion to stay the injunction contained therein pending appeal and plaintiff's motion for a clarification of same, it is hereby ORDERED, ADJUDGED and DECREED that after November 2, 1979, defendants, their attorneys, agents, employees, servants, representatives, licensees, franchisees, successors and assigns, and all others in privity with them, as well as any and all other persons acting pursuant to, through, by, or under the authority of any of the above, are hereby permanently ENJOINED from using the names DOMINO'S and/or DOMINO'S PIZZA or any colorable imitation thereof in association with the sale of pizza, beverages, dough mix, sauce mix, dough packet mix and other pizza ingredients; from franchising, licensing, operating and supplying pizza restaurants using the names DOMINO'S and/or DOMINO'S PIZZA or any colorable imitation thereof; from performing any other act likely to confuse the public into believing that defendants' products or services emanate from plaintiff or that defendants are in any way connected, associated, sponsored, or affiliated with or sanctioned or approved by plaintiff; and from doing any act likely to dilute plaintiff's trademarks; PROVIDED, however, that during the pendency of any appeal of this decision, defendants are hereby allowed to operate under the names DOMINO'S and/or DOMINO'S PIZZA those restaurants opened or in operation on November 2, 1979 and to use at said restaurants the names DOMINO'S and/or DOMINO'S PIZZA.

IT IS FURTHER PROVIDED, that in the event defendants should fail to appeal this court's order or should they

abandon same, for a period of eight (8) months from November 2, 1979, defendants are hereby allowed to use the names DOMINO'S and/or DOMINO'S PIZZA in connection with the operation of those restaurants opened and operating on November 2, 1979 and during a transitional period at the aforesaid restaurants for a period of four (4) months thereafter, such latter period to allow defendants to engage in transitional advertising and labelling to identify its new marks and tradename as, for example, "formerly DOMINO'S PIZZA", or words or phrases to that effect.

Defendants' counterclaims are hereby DISMISSED and the Clerk of Court is hereby ORDERED to enter final judgment in favor of plaintiff and against defendants, plaintiff to have its costs but payment of same DEFERRED pending entry of a final order by the Fifth Circuit Court of Appeals or the withdrawal or abandonment of such appeal.

IT IS SO ORDERED, this 7th day of November, 1979.

RICHARD C. FREEMAN
United States District Judge

Opinion of U.S. Court of Appeals

UNITED STATES COURT OF APPEALS,

FIFTH CIRCUIT.

April 8, 1980.

No. 79-3650.

AMSTAR CORPORATION,

Plaintiff-Appellee,

v.

DOMINO'S PIZZA, INC. and ATLANTA PIZZA, INC., PIZZA ENTERPRISES, INC. and PIZZA SERVICES, INC., HANNA CREATIVE ENTERPRISES, INC.,

Defendants-Appellants.

Before AINSWORTH and HENDERSON, Circuit Judges, and HUNTER,* District Judge.

AINSWORTH, Circuit Judge:

Amstar Corporation brought this suit asserting trademark infringement and unfair competition against Domino's Pizza, Inc. (DPI) and several of its franchisees[1] to enjoin their use of Amstar's federal registration of the "Domino" trademark. The complaint is based on allegations that defendants' use of the mark "Domino's Pizza" in connection with the sale of fast-food delivered hot pizza pies constitutes trademark infringement and a false designation of origin or representation in violation of the

* District Judge of the Western District of Louisiana, sitting by designation.

1. Atlanta Pizza, Inc.; Pizza Enterprises, Inc.; Pizza Services, Inc.; and Hanna Creative Enterprises, Inc. As found by the district court, all the foregoing corporations with the exception of Hanna Creative Enterprises, Inc., are now defunct. Findings of Fact Nos. 6, 7.

Trademark Act of 1946, 15 U.S.C. § 1051 *et seq.*;[2] also that said use constitutes unfair competition in violation of the

---

2. Provisions of the Trademark Act pertinent to this litigation provide:

> Any person who shall, without the consent of the registrant—
>
> (a) use in commerce any reproduction, counterfeit, copy, or colorable imitiation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or
>
> (b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) of this section, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

15 U.S.C. § 1114(1).

Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used, shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin or in the region in which said locality is situated, or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation.

15 U.S.C.§ 1125(a).

Georgia Uniform Deceptive Trade Practices Act, Ga.Code Ann. § 106-701 *et seq.*, and dilutes the distinctive quality of plaintiff's mark "Domino" in violation of the Georgia anti-dilution statute, Ga.Code Ann. § 106-115.[3] Defendants

3. The Georgia Uniform Deceptive Trade Practices Act provides in part:

> (a) A person engages in a deceptive trade practice when, in the course of his business, vocation, or occupation, he:
>
> (1) Passes off goods or services as those of another;
>
> (2) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
>
> (3) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by, another;
>
> (4) Uses deceptive representations or designations of geographic origin in connection with goods or services;
>
> (5) Represents that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have;
>
> (6) Represents that goods are original or new if they are deteriorated, altered, reconditioned, reclaimed, used, or secondhand;
>
> (7) Represents that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;
>
> (8) Disparages the goods, services, or business of another by false or misleading representation of fact;
>
> (9) Advertises goods or services with intent not to sell them as advertised;
>
> (10) Advertises goods or services with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity;
>
> (11) Makes false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions; or

denied that plaintiff was entitled to any equitable relief, asserted trademark misuse by plaintiff, and counterclaimed for cancellation of plaintiff's registration of the "Domino" mark for salt.[4] The district court ruled in favor of plaintiff, dismissed defendant's counterclaim, and permanently enjoyed defendants' use of the names "Domino" or "Domino's Pizza." Defendants then filed this appeal. We reverse

---

(12) Engages in any other conduct which similarly creates a likelihood of confusion or of misunderstanding.

(b) In order to prevail in an action under this Chapter, a complainant need not prove competition between the parties or actual confusion or misunderstanding.

(c) This section does not affect unfair trade practices otherwise actionable at common law or under other statutes of this State. (Acts 1968, pp. 337, 338.)

Ga.Code Ann. § 106-702.

The Georgia anti-dilution statute provides:

> Every person, association, or union of working men adopting and using a trademark, trade name, label or form of advertisement may proceed by suit and all courts having jurisdiction thereof shall grant injunctions, to enjoin subsequent use by another of the same or any similar trade-mark, trade name, label or form of advertisement if there exists a likelihood of injury to business reputation or of dilution of the distinctive quality of the trade-mark, trade name, label, or form of advertisement of the prior user, notwithstanding the absence of competition between the parties or of confusion as to the source of goods or services; except that the provisions of this section shall not deprive any party of any vested lawful rights acquired prior to the effective date of this section. (Acts 1955, pp. 453, 454.)

Ga.Code Ann. § 106-115.

4. Defendants' counterclaim for cancellation of the "Domino" mark for salt is based on its contention that the registration was obtained through false representations concerning the date of first use in commerce of "Domino" salt on June 4, 1964. Defendants contend they are damaged by this registration because it is the only "Domino" registration for non-sugar products which purports to show a first use date prior to that of the first use date of the mark "Domino's Pizza" by DPI on February 12, 1965.

because we find that the district court's decision was fundamentally erroneous since it was predicated on a holding that there was a likelihood of confusion between the use of "Domino's Pizza" by defendants in connection with pizza store services and the use of "Domino" by plaintiff in connection with the sale of sugar and individual packets of condiment items.

I. Background of Dispute

Amstar Corporation holds several federal registrations for the widely known "Domino" trademark,[5] and the mark

5. Plaintiff is the owner of the following trademark registrations issued by the U.S. Patent and Trademark Office:

Trademark	Reg. No.	Registration Date	Goods
DOMINO design	37,082	9/17/01 (renewed 1931, 1951, 1971)	Hard sugar
DOMINO	37,177	10/8/01 (renewed 1931, 1951, 1971)	Hard sugar
DOMINO	73,099	3/16/09 (renewed 1929, 1949, 1969)	Hard sugar
DOMINO	812,656	8/9/66	Portion-control mustard
DOMINO	812,657	8/9/66	Portion-control ketchup
DOMINO	813,101	8/16/66	Salt
DOMINO	813,113	8/16/66	Portion-control pepper
DOMINO	920,834	9/21/71	Jams and jellies
DOMINO	927,856	1/25/72	Salad dressing, mayonnaise, cucumber relish
DOMINO	1,108,831	12/12/78	Non-dairy powdered cream substitute

Findings of Fact Nos. 12, 50.

has been used since the turn of the century on plaintiff's various sugar products. Since 1965, plaintiff has also packaged single-serving (portion-control) envelopes of salt, pepper, sugar, mustard, ketchup, mayonnaise, jams and jellies, salad dressings, taco sauce, honey, cranberry sauce, tartar sauce and table syrup under the "Domino" mark. Plaintiff has spent more than $54 million since 1947 in advertising and promoting its "Domino" products, and as a result there is wide public recognition of the mark as a source of sugar products. Amstar's non-sugar, single-serving condiment packages introduced in 1965 have become the nation's largest line of portion-control items, with sales currently running at a rate of about $14 million per year.

Defendant DPI is the nation's largest chain of fast-food delivered pizza pie outlets, with 287 stores in 30 states and current sales exceeding $43 million annually. The chain has used the name "Domino Pizza" since early in 1965. Prior to that date, the pizzeria from which the chain grew was known as "Dominick's," named after its founder, Dominick Devarti. Devarti sold his pizzeria located in Ypsilanti, Michigan to Thomas Monaghan in December of 1960. In 1963 Devarti withdrew his permission to use the name "Dominick's," and for an interim period Monaghan called the store "Ypsilanti Dominick's." During this period Monaghan searched for a suitable new name for his pizzeria. In 1965 an employee suggested the name "Domino's Pizza," and Monaghan adopted the name immediately. At trial, Monaghan stated that he selected the name because it sounded Italian, it resembled "Dominick's," and he was unaware of any other pizzerias using the name. The company initially prospered, and in 1967 the first "Domino's Pizza" franchise was sold. By the end of 1969, there were 42 "Domino's Pizza" stores in operation in three states.

The plaintiff first became aware of DPI on June 24, 1970 when defendants' "Domino's" and "Domino's plus design" marks were published in the Official Gazette of the Patent Office, pending registration of the marks by the U. S. Patent Office. Pursuant to 15 U.S.C. § 1063, plaintiff filed notices of opposition to registration of the marks. DPI at the time was in serious financial difficulty, and the oppositions were not answered. Registration of the marks was therefore refused by the Patent Office.

In early 1971 plaintiff's counsel wrote to DPI's predecessor, Domino's Inc., requesting that the "Domino's Pizza" mark be changed. Domino's Inc. did not respond to the letter, and plaintiff took no further action at that time. Plaintiff did, however, order credit reports on DPI for the next three years which were used in monitoring DPI's business.

In 1972 and 1974 DPI again sought to register the trademark "Domino's Pizza" with the U. S. Patent Office. The mark was passed for publication in the Official Gazette of the Patent Office on each occasion, signifying that an examiner of the office had concluded that the mark was entitled to registration, 15 U.S.C. § 1062(a). Plaintiff filed notices of opposition to each of the foregoing applications, and defendant withdrew each application. Plaintiff ultimately filed this suit against DPI in September 1975.

In a lengthy memorandum of Findings of Fact and Conclusions of Law, the district court held that the defendants were guilty of trademark infringement (15 U.S.C. § 1114 (1)), false designation of origin (15 U.S.C. § 1125(a)), and dilution, unfair competition and deceptive trade practices under Georgia law. The court detailed at length the plaintiff's use of the "Domino" trademark in connection with sugar, and more recently with portion-control items.

It found that "[c]onsumers are highly likely to associate any food products sold or available for sale in supermarkets, groceries or other food stores under the DOMINO mark with the DOMINO food products sold by plaintiff." Finding of Fact No. 31. It further concluded that "[a]s a result of plaintiff's widespread use, advertising and promotion of the DOMINO trademark on a great variety of food products, the consuming public is very likely to believe that DOMINO's Pizza, sold in a separate food store outside of the supermarket, is in some way or manner sponsored by or affiliated with, or connected with, or emanates from plaintiff." Finding of Fact No. 61. The court found that the mark "Domino's Pizza" is "so similar to plaintiff's famous mark DOMINO in sound and appearance that the public cannot always perceive any difference between them." Finding of Fact No. 63. The court concluded that, as a matter of law, "[u]se of virtually identical marks for food products distributed to and in food stores to the consuming public is likely to result in confusion, mistake or deception." Conclusion of Law No. 10.

On appeal, defendants contend the district court erred in concluding that use of virtually identical marks for food products is likely to result in confusion or deception, and defendants also contend that the court erred "by misapplying or failing to apply the critical factors to be weighed in assessing likelihood of confusion." Brief for Appellants at 10. Plaintiff Amstar contends that the court's finding of likelihood of confusion or mistake is not clearly erroneous, and must therefore be sustained by this court. Plaintiff contends that this finding is substantiated by many factors, including the notoriety and strength of the "Domino" mark, the confusing similarity of the marks "Domino's

Pizza" and "Domino," the related nature of defendants' goods and services to those of plaintiff, the fact that customers for both plaintiff's and defendants' goods are the general consuming public, the existence of some actual confusion, and the results of two surveys which tend to confirm the likelihood of confusion.

Based on the record before us, we are convinced that the trial court erred in enjoining defendants' use of the mark "Domino's Pizza." We therefore reverse the decision of the district court, and vacate the injunction entered against defendants.

II. Standard of Review

Initially, we must determine the appropriate standard of review applicable to the district court's finding of likelihood of confusion. The determination as to whether confusion is likely has been held to present a question of law, *Fleischman Distilling Corp.* v. *Maier Brewing Co.*, 314 F.2d 149, 152 (9th Cir. 1963), *cert. denied*, 374 U.S. 830, 83 S.Ct. 1870, 10 L.Ed.2d 1053 (1963); a mixed question of law and fact, *B. H. Bunn Co.* v. *AAA Replacement Parts Co.*, 451 F.2d 1254, 1261 (5th Cir. 1971), and a question of fact, *T.G.I. Fridays* v. *International Restaurant Group, Inc.*, 569 F.2d 895, 899 (5th Cir. 1978). This circuit has held that likelihood of confusion is a question of fact which can only be set aside if clearly erroneous. *T.G.I. Fridays, supra;* Fed. R. Civ.P. 52(a). The record in the present case indicates that the district court's finding of likelihood of confusion is clearly erroneous.

The court's 54-page memorandum of Findings of Fact and Conclusions of Law was copied almost verbatim from proposed Findings of Fact and Conclusions of Law sub-

mitted by plaintiff's counsel. While the practice of allowing counsel for the prevailing party to write the trial judge's opinion has not been proscribed by this circuit, it should nevertheless be discouraged. Even though the court, in adopting plaintiff's findings and conclusions, stated that it had "individually considered" them and adopted them because it "believed them to be factually and legally correct," a cursory reading of the district court's memorandum leaves one with the impression that it was indeed written by the prevailing party to a bitter dispute. While the "clearly erroneous" rule of Fed.R.Civ.P. 52(a) applies to a trial judge's findings of fact whether he prepared them or they were developed by one of the parties and mechanically adopted by the judge, "we can take into account the District Court's lack of personal attention to factual findings in applying the clearly erroneous rule." *Wilson* v. *Thompson,* 593 F.2d 1375, 1384 n.16 (5th Cir. 1979). *See also James* v. *Stockham Valves & Fittings Co.,* 559 F.2d 310, 314 n.1 (5th Cir. 1977); *Volkswagen of America, Inc.* v. *Jahre,* 472 F.2d 557, 559 (5th Cir. 1973). As was stated in *James*:

> "[T]he appellate court can feel slightly more confident in concluding that important evidence has been overlooked or inadequately considered" when factual findings were not the product of personal analysis and determination by the trial judge. 559 F.2d at 314 n.1, *quoting Louis Dreyfus & Cie.* v. *Panama Canal Co.,* 298 F.2d 733, 738 (5th Cir. 1962).

A finding of fact is clearly erroneous "when although there is evidence to support it, the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed." *United States* v.

United States Gypsum Co., 333 U.S. 364, 395, 68 S.Ct. 525, 542, 92 L.Ed. 746 (1948). "In other words, we reverse when the result in a particular case does not reflect the truth and the right of the case." *Armstrong Cork Co.* v. *World Carpets, Inc.*, 597 F.2d 496, 501 (5th Cir. 1979). Such is the case here. Having reviewed all the evidence in this case in light of established legal precedent, we are left with the definite and firm conviction that the district court was mistaken in concluding that defendant's use of the mark "Domino's Pizza" is likely to cause confusion, mistake or deception.

III. Likelihood of Confusion

Infringement of a registered mark is governed by the provisions of 15 U.S.C. § 1114(1), which imposes liability against "use . . . likely to cause confusion, or to cause mistake, or to deceive." The same test is applicable to the deceptive trade practices claim, Ga.Stat.Ann. § 106-701 *et. seq.*; *Baker Realty Co.* v. *Baker*, 228 Ga. 766, 187 S.E.2d 850, 852 (1972), and common law unfair competition, *Holiday Inns, Inc.* v. *Holiday Out in America*, 481 F.2d 445, 449 (5th Cir. 1973); *B. H. Bunn Co.* v. *AAA Replacement Parts Co.*, 451 F.2d 1254, 1262 (5th Cir. 1971). Likewise, defendants' use of the mark "Domino's Pizza" can represent a false designation of origin or false description, proscribed by 15 U.S.C. § 1125, only if defendants' use of the mark is likely to be confused with plaintiff's "Domino" mark. *Boston Professional Hockey Ass'n, Inc.* v. *Dallas Cap and Emblem Mfg., Inc.*, 510 F.2d 1004, 1013 (5th Cir.), *cert. denied*, 423 U.S. 868, 96 S.Ct. 132, 46 L.Ed.2d 98 (1975). Plaintiff's claims against defendants, except the dilution claim, therefore, turn on the determination of whether defendants' use

of the mark "Domino's Pizza" is likely to cause confusion, mistake, or deception.

> In this circuit likelihood of confusion is determined by evaluating a variety of factors including the type of trademark at issue; similarity of design; similarity of product; identity of retail outlets and purchasers; identity of advertising media utilized; defendant's intent; and actual confusion.

Roto-Rooter Corporation v. *O'Neal,* 513 F.2d 44, 45 (5th Cir. 1975), *citing Continental Motors Corp. v. Continental Aviation Corp.,* 375 F.2d 857 (5th Cir. 1967); *American Foods, Inc.* v. *Golden Flake, Inc.,* 312 F.2d 619 (5th Cir. 1963); *Sears, Roebuck & Co.* v. *All States Life Insurance Co.,* 246 F.2d 161 (5th Cir.), *cert. denied,* 355 U.S. 894, 78 S.Ct. 268, 2 L.Ed.2d 192 (1957). *See also* Restatement of Torts § 729 (1938).[6]

An evaluation of these factors leads us to conclude that defendants' use of the trademark "Domino's Pizza" presents no likelihood of confusion, mistake, or deception.

---

6. The Restatement of Torts lists the following as important factors in determining confusing similarity:

> (a) the degree of similarity between the designation and the trade-mark or trade name in
> (i) appearance;
> (ii) pronunciation of the words used;
> (iii) verbal translation of the pictures or designs involved;
> (iv) suggestion;
> (b) the intent of the actor in adopting the designation;
> (c) the relation in use and manner of marketing between the goods or services marketed by the actor and those marketed by the other;
> (d) the degree of care likely to be exercised by purchasers.

Restatement of Torts § 729 (1938).

1. Type of trademark

We consider, first, whether "Domino" is a "strong" or a "weak" mark since the strength and distinctiveness of plaintiff's mark is a vital consideration in determining the scope of protection it should be accorded. "Strong marks are widely protected, as contrasted to weak marks." Lunsford, Julius R., Jr., "Trademark Basics," 59 Trademark Rep. 873, 878 (1969).

At trial, defendants introduced into evidence or tendered into court some 72 third-party registrations of the mark "Domino" in the U. S. Patent Office. Brief for Appellant at 18-24. These registrations were for such products as canned fruits, citrus, cigarettes, cheese, wheat flours, chrome-tanned leather, canned sardines, animal feed, envelopes, pencils, fishing line, candy mints, whiskey, ladies' hosiery and haircream. In addition, defendants presented extensive evidence of 15 third-party uses of the "Domino" mark from 1885 until the present. These uses included "Domino" cigarettes and matches, which are currently sold in grocery stores, two restaurants currently operating under the "Domino's" mark, a small chain of supermarkets in the Bronx, New York, with sales of $3,900,000 in 1976, and a "Domino Donut Mix" distributed by General Mills to commercial bakers since 1959. The district court dismissed these and other third-party uses as either long abandoned; remote as to goods or geography; small, obscure and localized; or used only in shipments to the trade. We do not believe that such extensive third-party use and registration of "Domino" can be so readily dismissed. The impact of such evidence is not dispelled merely because "Domino" cigarettes and matches are not leading brands, or because

some uses of the mark "Domino" by third parties have not been related to food products. As was stated by one commentator, "If the owner of KODAK should permit its use by others on washing powders, shoes, candy bars, or cosmetics, or if The Coca-Cola Company should permit COCA-COLA or COKE to be used for rain coats, cigarette lighters, golf balls, or jewelry not of its manufacture, it would not take long for even these giants in the trademark world to be reduced to pigmy size." Lunsford, *supra* at 878-79. As stated in comment to the Restatement of Torts § 729 (1938), "The greater the number of identical or more or less similar trade-marks already in use on different kinds of goods, the less is the likelihood of confusion . . . ." The extensive third-party uses documented in this case were entitled to much greater weight than were accorded them by the district court. *See Armstrong Cork Co.* v. *World Carpets, Inc.*, 597 F.2d 496, 505, (5th Cir. 1979) (multiple uses of mark "World" discussed in denying injunctive relief); *American Heritage Life Ins. Co.* v. *Heritage Life Ins. Co.*, 494 F.2d 3, 13 (5th Cir. 1974) (multiple uses of "Heritage" discussed in denying injunctive relief); *Holiday Inns, Inc.* v. *Holiday Out in America*, 481 F.2d 445, 448 (5th Cir. 1973) (multiple uses of "Holiday" discussed in denying injunctive relief).

Defendants do not contend, nor does this court hold, that plaintiff's mark is not a distinctive, well-known mark for its sugar and related products. The third-party uses and registrations discussed above merely limit the protection to be accorded plaintiff's mark outside the uses to which plaintiff has already put its mark. *American Sugar Co.* v. *Texas Farm Products Co.*, 159 U.S.P.Q. 679, 681 (T.T.A.B.1968);[7]

7. In *American Sugar Co.* v. *Texas Farm Products Co.*, 159 U.S.P.Q. 679, 681 (T.T.A.B.1968), American Sugar (predecessor

Scott Paper Co. v. *Scott's Liquid Gold, Inc.*, 598 F.2d 1225 (3rd Cir. 1978) (plaintiff's ownership of the mark "Scott" as applied to paper products does not preclude defendant's use of "Scott" on furniture polish).

Additional support for the conclusion that the mark "Domino" should be accorded only limited protection outside of plaintiff's sugars and related food products can be derived from the nature of the mark itself. "Domino," in spite of the district court's finding that it is "not primarily a surname," Finding of Fact No. 98, is indeed the surname of a good number of people, as a glance at a local telephone directory can verify. The word is a common English name

---

in interest to Amstar) opposed registration by Texas Farm Products of the mark "Domino" for use on its cattle feed. The evidence established that American Sugar sold various sugar syrups and by-products (principally blackstrap molasses) under the "Domino" mark, which were used in conjunction with or alone as cattle feed. The Trademark Trial and Appeal Board refused registration by Texas Farm Products, holding that both American Sugar's "Domino" products and Texas Farm Products' feed went through the same channels of trade to the same consumers. Texas Farm Products had contended that third-party uses of "Domino" limited American Sugar's rights in the mark. The Appeal Board's response to that argument is instructive here:

> Applicant also contends that "DOMINO" is a weak mark as evidenced by the third party registrations and uses thereof hereinbefore referred to. This contention would be relevant, however, only if opposer were seeking protection of the mark in a field other than that in which it had previously been used, and such is not here the case.

159 U.S.P.Q. at 681. Thus, the Appeal Board, while denying registration to Texas Farm Products, acknowledged that extensive third-party use of the mark "Domino" might mandate a different result if Amstar sought protection of the mark in a field "other than that in which it had previously been used." As Amstar has never used the "Domino" mark in connection with the sale of fast-food delivered pizzas, this is such a case.

for a game, a hooded costume, a type of mask, and a theory of political expansion. Thus, "Domino" is not a coined word, is not purely fanciful, and while its application to sugar may be arbitrary,[8] it is still not to be accorded the same degree of protection given such coined and fanciful terms as "Kodak" or "Xerox." *Armstrong Cork Co.* v. *World Carpets, Inc.*, 597 F.2d 496, 505 (5th Cir. 1979) (wide use of mark "World" results in little likelihood of confusion); *Holiday Inns, Inc.* v. *Holiday Out in America*, 481 F.2d 445, 448 (5th Cir. 1973) (common word "Holiday" is of weak trademark significance); *El Chico, Inc.* v. *El Chico Cafe*, 214 F.2d 721, 725 (5th Cir. 1954) (27 trademark registrations of "El Chico," along with fact it was the name of a Moorish king of Granada in 1482, and is the name of a Mexican town and a river in the Philippines, make the term a weak trade name deserving limited protection).

2. Similarity of design.

"Similarity of appearance is determined on the basis of the total effect of the designation, rather than on a comparison of individual features." Restatement of Torts § 729, comment b (1938). Considering the total effect of the respective marks, there is little similarity between plaintiff's and defendants' marks. As shown below, and as found by the district court, plaintiff's mark "almost always is presented on a bias with respect to the horizontal." Finding of Fact No. 14. Defendants' mark, far from suggesting plaintiff's mark, is stylistically and typographically distinguishable.

We must also consider the commercial impression created by the mark as a whole. *Seabrook Foods, Inc.* v. *Bar-Well*

8. At one time, "Domino" as applied to plaintiff's sugar was descriptive, not arbitrary. There is evidence that, near the turn of the century, plaintiff sold domino-shaped pieces of hard sugar in half bales. Tr. 213-14.

Foods, Ltd., 568 F.2d 1342, 1346 (Cust. & Pat.App. 1977); *Colgate-Palmolive Co.* v. *Carter-Wallace, Inc.*, 432 F.2d 1400, 1402, 56 CCPA 973 (1970). "It is the overall impression that counts." *Armstrong Cork Co.* v. *World Carpets, Inc.*, 597 F.2d 496, 502 (5th Cir. 1979). "Domino," in possessive form, next to the word "pizza," produces a commercial impression quite different from the same mark placed next to "sugar." "Domino" is derived from Latin, is an Italian surname, and in combination with "pizza" creates an Italian connotation. "The setting in which a designation is used affects its appearance and colors the impression conveyed by it." Restatement of Torts § 729, comment b (1938). The impression conveyed by defendants' use of "Domino's Pizza" is substantially different from that created by plaintiff's use of "Domino Sugar."

Additionally, the U.S. Patent Office has made, on three separate occasions, an initial determination that DPI is entitled to register the mark "Domino's Pizza." DPI applied to register "Domino's" or "Domino's Pizza" plus corresponding designs three different times. Each time, a trademark examiner in the office determined that DPI was entitled to have the mark registered. *See* 15 U.S.C. § 1062(a). The trademark examiner on one of these occasions wrote that "[a] search of the Office records fails to show that the mark, when applied to applicant's services, is confusingly similar to any registered mark." Record on Appeal at 2815. At the time this search was made, plaintiff had registered "Domino" for sugar, mustard, ketchup, salt and pepper. *Id.*

3. *Similarity of products*

The district court stated in some detail its view of the similarities between defendants' pizza and plaintiff's sugar,

salt, mustard, ketchup and other condiments. The court at one point went so far as to state the "consuming public considers sugar to be a related food product to pizza." Finding of Fact No. 84. However, we fail to see any great similarity between the respective parties' wares. "About the only things they have in common are that they are edible." *California Fruit Growers Exchange* v. *Sunkist Baking Co.*, 166 F.2d 971, 973 (7th Cir. 1947).

4. Identity of retail outlets and purchasers

Dissimilarities between the retail outlets for and the predominant consumers of plaintiff's and defendants' goods lessen the possibility of confusion, mistake, or deception. The dissimilarities here are substantial.

Plaintiff's "Domino" sugar products are distributed to the public primarily through grocery stores; defendants' pizzas and soft drinks are distributed exclusively through fast-food outlets specializing in home delivery or customer pickup, but offering no facilities for sit-down service. Plaintiff attempts to narrow the gap between itself and defendants by arguing that its single-serving sugar packets, and more recently its line of single-serving condiments, are widely used in fast-food outlets and restaurants. Thus, it argues, the public has come to associate the mark "Domino" with restaurants and fast-food establishments. While the argument carries some weight, it is insufficient to overcome basic differences between plaintiff's and defendants' modes of distributing their products.

Although "Domino" sugar and individual condiment packages are distributed to the public through restaurants and fast-food chains, they are not sold to the public by plaintiff but are generally distributed to customers by the restaurant owners. Amstar is not engaged in the direct sale of condiment packages to the public. In contrast, "Domino's Pizza" products are sold directly to the public through "Domino's

Pizza" outlets. While the public may decide to purchase a pizza based on its perception of "Domino's Pizza" quality, it is unlikely anyone would choose to frequent or avoid a restaurant because of the brand of condiment packages carried by the restaurant. Thus, while Amstar might broadly be classified as "in the restaurant business," it is in that business at a different level than defendants.

There are substantial dissimilarities between the predominant purchasers of plaintiff's and defendants' products. According to surveys presented at trial, "Domino's Pizza" patrons are primarily young (85.6% under 35 years of age), single (61%) males (63.3%). This coincides with the fact that 75% of the "Domino's Pizza" stores throughout the country are situated in college campus towns or around military bases where the advertising for "Domino's Pizza" is directed to the 18- to 34-year-old single male. In contrast, "Domino" sugar purchasers are predominantly middle-aged housewives.

5. Identity of advertising media utilized

The district court made extensive findings of fact regarding plaintiff's advertising of its "Domino" mark. The court found Amstar advertised extensively in nationally circulated magazines, newspapers and trade journals, and spent substantial sums of money on radio and television commercials. It stated "DOMINO is the only sugar on network television every week." Finding of Fact No. 23. In contrast to plaintiff's broadly based national advertising, defendants' advertising has a completely different focus. Because over 80% of defendants' pizza sales involve free delivery, defendants' advertising is of two principal types: (i) store signs, flyers, delivery car signs and other like materials designed for maximum impact in the 1.5-mile delivery area of a "Domino's Pizza" outlet, and (ii) "Yellow Page" ads. Unlike the national audience sought by Amstar,

defendants' advertising is targeted at young, male college students.

The substantial dissimilarities between plaintiff's and defendants' advertising campaigns tend to negate any inference of unfair competition or trademark infringement. Defendants' advertising program is geared to seek out and exploit a highly localized and rather specialized class of consumers. Defendants have not sought to mine the good will established by plaintiff. In short, hardly anyone would confuse a "Domino" sugar ad with a "Domino's Pizza" sales pitch, nor would they likely believe the two advertisements emanated from the same source, considering the significant differences between the advertisements in message content and presentation.

6. Defendants' intent.

The intent of defendants in adopting the "Domino's Pizza" mark is a critical factor, since if the mark was adopted with the intent of deriving benefit from the reputation of "Domino" that fact alone "may be sufficient to justify the inference that there is confusing similarity." Restatement of Torts §729, comment f (1938). Bad faith in the adoption and use of a trademark normally involves the imitation of packaging material, use of identical code numbers, adopting of similar distribution methods or other efforts by a party to "pass off" its product as that of another. *Kentucky Fried Chicken Corp.* v. *Diversified Packaging Corp.*, 549 F.2d 368, 382-83 (5th Cir. 1977). There is no evidence that defendants have ever attempted to "pass off" their goods as those of plaintiff. Evidence introduced at trial established that the name "Domino's Pizza" was adopted because Mr. Monaghan had been told he could no longer use the name "Dominick's," the new name sounded Italian, and it was quite close to the old name. Although

Monaghan was aware of "Domino" sugar at the time, he was unaware of any other pizzerias by that name. There is no evidence the name was adopted with any intent to confuse, mislead, or deceive the public.[9]

7. *Actual confusion*

Although evidence of actual confusion is not necessary to a finding of likelihood of confusion, it is nevertheless the best evidence of likelihood of confusion. *Roto-Rooter Corp.* v. *O'Neal,* 513 F.2d 44, 46 (5th Cir. 1975). The evidence of actual confusion in this case is minimal. Plaintiff's evidence of actual confusion amounted to two verbal inquiries as to whether "Domino's Pizza" was related to "Domino" sugar, and one misaddressed letter.[10] In view of the fact that both plaintiff's and defendants' sales curently run into the millions of dollars each year, these isolated instances of actual confusion are insufficient to sustain a finding of likelihood of confusion. *Armstrong Cork Co.* v. *World Carpets, Inc.,* 597 F.2d 496, 506 (5th Cir. 1979); *Scott Paper Co.* v. *Scott's Liquid Gold, Inc.,* 589 F.2d 1225, 1231 (3rd Cir. 1978). Indeed, the fact that only three instances of actual confusion were found after nearly 15 years of extensive concurrent sales under the parties' respective marks raises a presumption against likelihood of confusion in the future. *FS Services, Inc.* v. *Custom Farm Services, Inc.,* 325 F.Supp. 153, 162 (N.D.Ill. 1970), *aff'd,* 471 F.2d 671 (7th Cir. 1972).

---

9. Counsel for plaintiff conceded at trial that defendants did not adopt "Domino's Pizza" with an intent to deceive, although the mark was adopted with knowledge of plaintiff's use of "Domino." Tr. 1547.

10. The two verbal inquiries were made to employees of DPI who were asked if DPI was related to Amstar. The misaddressed letter was received by a DPI employee from a doctor who had treated him. The doctor's bill was addressed to "Domino Sugar." Record on Appeal at 2819.

At trial, both parties introduced survey evidence on the issue of likelihood of confusion. The trial court characterized the defendants' survey as "about as contrived a survey as I have ever run across,"[11] but found plaintiff's survey "properly conducted and fair." Finding of Fact No. 90. Our own examination of the survey evidence convinces us that both surveys are substantially defective.

Plaintiff's survey was made by Dr. Russ Haley, Professor of Marketing at the University of New Hampshire. It was conducted in ten cities among female heads of households primarily responsible for making food purchases. Each participant was shown, in her own home, a "Domino's Pizza" box and was asked if she believed the company that made the pizza made any other product. If she answered yes, she was asked, "What product other than pizza do you think are made by the company that makes Domino's Pizza?" Finding of Fact No. 90(d). Seventy-one percent of those asked the second question answered "sugar."

While the possible confusion level shown by the Haley study is high, there are several defects in the survey which significantly reduce its probative value. First, one of the most important factors in assessing the validity of an opinion poll is the adequacy of the "survey universe," that is, the persons interviewed must adequately represent the opinions which are relevant to the litigation. *American Basketall Ass'n* v. *AMF Voit, Inc.*, 358 F.Supp. 981, 986 (S.D.N.Y.), *aff'd*, 487 F.2d 1393 (2d Cir. 1973), *cert. denied*, 416 U.S. 986, 94 S.Ct. 2389, 40 L.Ed.2d 763 (1974); *Hawley Products Co.* v. *United States Trunk Co.*, 259 F.2d 69, 77 (1st Cir. 1958). The appropriate universe should include a fair sampling of those purchasers most

11. The judge's comment was made during a hearing held November 2, 1979 on a motion by defendants to stay the district court's injunction pending this appeal. Hearing Tr. 63.

likely to partake of the alleged infringer's goods or services. *American Basketball, supra; Hawley Products, supra.* Of the ten cities in which the Haley survey was conducted, eight had no "Domino's Pizza" outlets, and the outlets in the remaining two had been open for less than three months. Additionally, the persons interviwed consisted entirely of women found at home during six daylight hours who identified themselves as the member of the household primarily responsible for grocery buying. As plaintiff's sugar is sold primarily in grocery stores, participants in the Haley survey would have been repeatedly exposed to plaintiff's mark, but would have had little, if any, exposure to defendants' mark. Furthermore, the survey neglected completely defendants' primary customers—young, single, male college students. Thus, we do not believe that the proper universe was examined, and the results of the survey must therefore be discounted. *Handbook of Recommended Procedures for the Trial of Protracted Cases,* 25 F.R.D. 351, 429 (1960).

Of additional concern, plaintiff's survey was a "word association" test. Participants in the survey were confronted with the "Domino's Pizza" mark, and more or less asked if it brought anything else to mind. We have previously held that such a procedure degenerates "into a mere word-association test entitled to little weight." *Holiday Inns, Inc.* v. *Holiday Out in America,* 481 F.2d 445, 448 (5th Cir. 1973). We do not believe the Haley survey presents any meaningful evidence of likelihood of confusion.[12]

12. Other courts have rejected surveys performed by Dr. Haley as slanted or biased. *American Footwear Corp.* v. *General Footwear Company, Ltd.*, 609 F.2d 655, 660-61 n.4 (2d Cir. 1979); *Charles Revson, Inc.* v. *Max Factor & Co.*, 76 Civ. 5215, Findings of Fact Nos. 101-08 (S.D.N.Y.1977); *Phillip Morris, Inc.* v. *R. J. Reynolds Tobacco Co.*, 188 U.S.P.Q. 289, 293-94 (S.D.N.Y.1975).

The trial court discounted defendants' survey for largely the same reasons just discussed—it was conducted on the premises of "Domino's Pizza" outlets and therefore did not examine a proper survey universe, and the questioning procedures used were improper. Thus, defendants' survey is likewise not probative of the presence or absence of confusion.[13]

Accordingly, we conclude that the trial court was clearly in error when it held defendants' use of the trademark "Domino's Pizza" was likely to cause confusion, mistake, or deception. In the absence of any solid evidence of actual confusion, the limited strength of the "Domino" mark outside plaintiff's line of sugars and portion-control condiments compels the opposite conclusion, especially in light of the marked dissimilarities between plaintiff and defendants in trademark design, products, retail outlets, purchasers and advertising. We also note that plaintiff has not been vigilant in protecting its rights in the "Domino" mark. Since it first began using the mark, it has failed to object to 72 third-party registrations of "Domino." When infringing third-party uses of the mark have become known, as in General Mills' use of "Domino" on a widely distributed doughnut mix, plaintiff has written letters requesting discontinuance of the mark, but

13. The actual results of defendants' survey are disputed. Plaintiff argues the survey shows a 6.8% confusion level, and the court in copying plaintiff's proposed Findings of Fact adopted that argument. Defendants argue the survey showed an actual confusion level of only 0.4%. They contend the 6.8% figure can be derived only by eliminating all respondents to the survey who were either not familiar with "Domino" sugar or who responded "don't know" when asked if the same entity made both "Domino" sugar and "Domino's Pizza." They argue that such a procedure is an unwarranted as excluding the percentage of "undecided" voters in a political poll. While we note the conflict between plaintiff and defendants on this issue, our holding discounting the survey evidence in this case makes it unncessary for us to resolve it.

has never brought suit against any such infringement until now. As noted by the district judge in the course of the trial, plaintiff "has not maintained, has not policed its mark." Tr. 1664. Plaintiff brought this suit after nearly ten years of simultaneous use of the mark "Domino" by Amstar and DPI. A trademark owner that strongly believed its customers were being deceived would hardly have remained idle for such an extended period of time.

Our conclusion that there is no likelihood of confusion in this case is fatal to most of plaintiff's claims. With no likelihood of confusion, there can be no trademark infringement, 15 U.S.C. § 1114(1). Since there is no likelihood of confusing defendants' goods with those of plaintiff's, the false designation of origin claim also falls. 15 U.S.C. § 1125; *Boston Professional Hockey Ass'n, Inc.* v. *Dallas Cap and Emblem Mfg. Co., Inc.*, 510 F.2d 1004 (5th Cir.), *cert. denied*, 423 U.S. 868, 96 S.Ct. 132, 46 L.Ed.2d 98 (1975). Common law unfair competition turns primarily on likelihood of customer confusion, and therefore defendants must prevail herein on that issue. *Holiday Inns, Inc.* v. *Holiday Out in America*, 481 F.2d 445 (5th Cir. 1973); *B. H. Bunn Co.* v. *AAA Replacement Parts Co.*, 451 F.2d 1254 (5th Cir. 1971). Finally, the crux of a complaint based on the Georgia Uniform Deceptive Trade Practices Act is the likelihood of confusion between goods. *Baker Realty Co.* v. *Baker*, 228 Ga. 766, 187 S.E.2d 850 (1972). This claim also is without merit.

IV. Dilution

Georgia's anti-dilution statute protects against "dilution of the distinctive quality of the trademark . . . notwithstanding the absence of competition between the parties or

of confusion as to the source of goods or services. . . ." Ga. Code Ann. § 106-115. Dilution, as we have previously noted, occurs "where the use of the trademark by the subsequent user will lessen the uniqueness of the prior user's mark with the possible future result that a strong mark may become a weak mark." *Holiday Inns, Inc.* v. *Holiday Out in America,* 481 F.2d 445, 450 (5th Cir. 1973). The concept is not applicable in this situation, however, because "it has been determined that the marks themselves are not confusing," *id.,* and as discussed at length previously, "Domino," outside plaintiff's line of sugars and portion-control items, has already become a weak mark. Plaintiff's claim against defendants under the Georgia statute is therefore invalid.

V. Conclusion

In reversing the district court and vacating the injunction entered against defendants, we do not intimate that the mark "Domino," as applied to plaintiff's sugars and portion-control items, is not a widely known mark deserving substantial protection. However, "[t]he right granted to the owner of a registered trademark is a monopoly and should not be extended unless the owner is clearly entitled thereto." *S. C. Johnson & Son, Inc.* v. *Johnson,* 266 F.2d 129, 136 (6th Cir.), *cert. denied,* 361 U.S. 820, 80 S.Ct. 65, 4 L.Ed.2d 65 (1959). Since defendants' use of the mark "Domino's Pizza" is not likely to confuse, mislead, or deceive the public, the district court's order and injunction to the contrary are set aside, and the judgment is

REVERSED.

Order Denying Petition for Rehearing

UNITED STATES COURT OF APPEALS

FIFTH CIRCUIT

OFFICE OF THE CLERK

GILBERT F. GANUCHEAU
Clerk

Tel 504-589-6514
600 Camp Street
New Orleans, La.70130

MAY 2, 1980

TO ALL PARTIES LISTED BELOW:

No. 79-3650—Amstar Corp. —vs— Domino's Pizza, et al,

Dear Counsel:

This is to advise that an order has this day been entered denying the petition ( ) for rehearing, and no member of the panel nor Judge in regular active service on the Court having requested that the Court be polled on rehearing en banc (Rule 35, Federal Rules of Appellate Procedure; Local Fifth Circuit Rule 16) the petition( ) for rehearing en banc has also been denied.

See Rule 41, Federal Rules of Appellate Procedure for issuance and stay of the mandate.

Very truly yours,

GILBERT F. GANUCHEAU, Clerk

By CLAUDIA JUDES
Deputy Clerk

Judgment of Court of Appeals

UNITED STATES COURT OF APPEALS

FOR THE FIFTH CIRCUIT

No. 79-3650

D. C. Docket No. CA C75-1895A

AMSTAR CORPORATION,
Plaintiff-Appellee,

versus

DOMINO'S PIZZA, INC. AND ATLANTA PIZZA, INC.,
PIZZA ENTERPRISES, INC. AND PIZZA SERVICES, INC.,
HANNA CREATIVE ENTERPRISES, INC.
Defendants-Appellants.

Appeal from the United States District Court for the Northern District of Georgia

Before—AINSWORTH and HENDERSON, Circuit Judges, and HUNTER,* District Judge.

Judgment

This cause came on to be heard on the transcript of the record from the United States District Court for the Northern District of Georgia, and was argued by counsel;

ON CONSIDERATION WHEREOF, It is now here ordered and adjudged by this Court that the judgment of the said District Court in this cause be, and the same is hereby, reversed;

Judgment of Court of Appeals

IT IS FURTHER ORDERED that plaintiff-appellee pay to defendants-appellants, the costs on appeal to be taxed by the Clerk of this Court.

ISSUED AS MANDATE: MAY 13, 1980
April 8, 1980

A true copy

Test GILBERT F. GANUCHEAU
Clerk U.S. Court of Appeals Fifth Circuit

By SARAH L. HOLMES
Deputy

New Orleans, Louisana: May 13, 1980

Supreme Court, U.S.
FILED
SEP 4 - 1980
CLERK

No. 80-155

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1980

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

MILES J. ALEXANDER
JERRE B. SWANN
KILPATRICK & CODY
3100 Equitable Building
Atlanta, Georgia 30303
(404) 572-6500
Of Counsel

WILLIAM H. NEEDLE
NEWTON, HOPKINS & ORMSBY
1010 Equitable Building
Atlanta, Georgia 30303
(404) 688-1788
Attorney for Respondents

September 4, 1980

Washington, D.C. • THIEL PRESS • (202) 638-4521

TABLE OF CONTENTS

Page

INTRODUCTION 1

ARGUMENT 4

CONCLUSION 9

APPENDICES:

A. Table of Factors in Trademark Cases Relevant to Likelihood of Confusion 1a

B. Third-Party Federal Registrations 5a

TABLE OF AUTHORITIES

Cases:

Industrial Nucleonics Corp. v. Hinde, 475 F.2d 1197 (C.C.P.A. 1973) 5

Interstate Brands Corp. v. Celestial Seasonings, Inc., 576 F.2d 926 (C.C.P.A. 1978) 5

Roto-Rooter Corporation v. O'Neal, 513 F.2d 44 (5th Cir. 1975) 5

United States v. Johnston, 268 U.S. 220 (1925) 4

Other:

Gilson, *Trademark Protection and Practice* (1974) 5

McCarthy, *Trademarks and Unfair Competition* (1973) 4, 5

Restatement, *Torts* (1938) 5

Rules:

Supreme Court Rule 17 4

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1980

No. 80-155

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

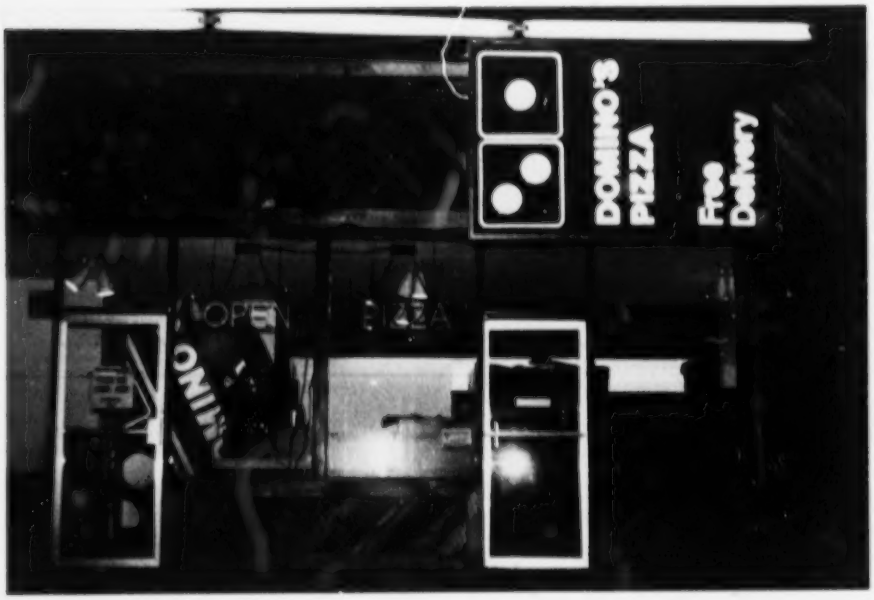
BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

INTRODUCTION

Respondents (hereinafter DPI) operate the largest pizza delivery chain in the United States, with annual sales in 1978 approaching $50,000,000. DPI's outlets, which do not even provide sit-down eating facilities, are principally located adjacent to college campuses and military bases. DPI's DOMINO'S PIZZA stores[1] engage

[1] Contrary to implications in the Petition, DPI does not use DOMINO'S alone and has not done so for eight years or more.

exclusively in the sale of hot pizza pies and cola beverages[2] and typically appear as follows:



For more than 50 years, petitioner's sales were limited to sugar and sugar-related items. After DPI adopted the DOMINO'S PIZZA mark, petitioner commenced distribution to the institutional food trade (restaurants, hospitals, cafeterias, etc.) of single service condiment packets. Current sales of such packets, 20-30% of which

[2]While DPI experimented, on a very limited basis, with the sale of frozen pizza, the experiment was discontinued well prior to the commencement of this action. DPI's sales of sugar and salt to which Amstar alludes are restricted solely to its company-owned and franchised stores for use in making pizza.

do not bear a DOMINO label, are less than $15,000,000 a year, and the packets are provided to the public free of charge. From the standpoint of consumer purchases, petitioner's mark still typically appears as follows:

Because of differences in the goods and the marks and dissimilarities in their respective customers, channels of trade and advertising, the United States Court of Appeals

for the Fifth Circuit concluded that there was no likelihood of confusion between DOMINO'S PIZZA pizza and DOMINO sugar. Being essentially factual, that conclusion should not be subject to review by writ of certiorari.

ARGUMENT

As a general rule, the Supreme Court will "not grant a certiorari to review evidence and discuss specific facts." *United States v. Johnston*, 268 U.S. 220, 227 (1925). Rather, certiorari is principally limited to resolution of conflicts between circuit courts and to settlement of important questions of federal law. Supreme Court Rule 17. Amstar labors mightily to bring itself within the latter two categories. It labors in vain.

For example, Amstar insists that without guidance as to the meaning of likelihood of confusion, "courts will continue to exhibit what has been referred to as 'judicial schizophrenia.'" Pet. 9.[3] The source from which Amstar quotes had reference, however, to "a difference of opinion which opened among *Second Circuit judges* from about *1940 to 1960.*" 2 McCarthy, *Trademarks and Unfair Competition*, § 24.9 (1973), at 143 (emphasis supplied). The sanity of the Fifth Circuit in 1980 is not thus at issue; it applied here the same test universally applied in other cases and by other Courts of Appeal:

> In this circuit likelihood of confusion is determined by evaluating a variety of factors including the type of trademark at issue; similarity of product; identity of retail outlets and purchasers;

---

[3]References are to the "Petition for Writ of Certiorari" (Pet. ___) and to the Appendix thereto (A___).

> identity of advertising media utilized; defendant's intent; and actual confusion.

A78; *Roto-Rooter Corporation v. O'Neal,* 513 F.2d 44, 45 (5th Cir. 1975); *see,* Restatement, *Torts,* § 729 (1938).[4]

Far more pertinent to this case, therefore, is Professor McCarthy's observation that:

> [T]he citation of precedent on the issue of likelihood of confusion can only indicate a general pattern. Legal precedent is of minor value because each case must rest on the totality of its own facts as to a likelihood of confusion. The Court of Customs and Patent Appeals has admitted that the determination of a likelihood of confusion is a "subjective evaluation" in which prior decisions are of little value, and provide "but meager assistance."

2 McCarthy, *supra,* § 23.11 (footnotes omitted); *accord,* Gilson, *Trademark Protection and Practice,* § 5.01 (1974). In no area of law may it be more accurately stated that "[e]ach case must be decided on its own facts and the differences are often subtle ones." *Industrial Nucleonics Corp. v. Hinde,* 475 F.2d 1197, 1199 (C.C.P.A. 1973); *accord, Interstate Brands Corp. v. Celestial Seasonings, Inc.,* 576 F.2d 926, 927 (C.C.P.A. 1978).

To no avail, therefore, are petitioner's contentions that the Fifth Circuit: (a) misjudged the significance attributable to differences in the goods to which the trademarks at issue are applied; and (b) attached excessive weight to third party users of "Domino." Pet. 9-14. Factually, grocery store sugar and home delivered

---

[4]A more complete listing of factors was collected in Appendix A to DPI's "Reply Brief" to the Fifth Circuit, and this table is reprinted as Appendix A hereto.

pizza are highly dissimilar products distributed through distinctly dissimilar "retail outlets" (A84); and 72 third party *federal registrations*[5] of "Domino", many for food products, can no more be ignored than extensive evidence of third party use. A79-80. More importantly, these factors were only two of a multitude of considerations deemed relevant to an assessment of the likelihood of confusion. A77-78. Equally determinative were the Fifth Circuit's findings that:

> i. ["Domino"] is a common English name for a game, a hooded costume, a type of mask, and a theory of political expansion. Thus, "Domino" is not a coined word, is not purely fanciful, and while its application to sugar may be artibrary, it is not to be accorded the same degree of protection given such coined and fanciful terms as "Kodak" or "Xerox." [A81-82; footnote omitted.]
>
> ii. "Domino," in possessive form, next to the word "pizza," produces a commercial impression quite different from the same mark placed next to "sugar." "Domino" is derived from Latin, is an Italian surname, and in combination with "pizza" creates an Italian connotation. . . . The impression conveyed by defendants' use of "Domino's Pizza" is substantially different from that created by plaintiff's use of "Domino Sugar." [A83.]
>
> iii. There are substantial dissimilarities between the predominant purchasers of plaintiff's and defendants' products. . . . "Domino's Pizza" patrons are primarily young (85.6% under 35

[5]The third party federal registrations are set forth in Appendix B hereto.

years of age), single (61%) males (63.3%). . . . "Domino" sugar purchasers are predominantly middle-aged housewives. [A85.]

iv. Defendants' advertising program is geared to seek out and exploit a highly localized and rather specialized class of consumers. Defendants have not sought to mine the good will established by plaintiff. In short, hardly anyone would confuse a "Domino" sugar ad with a "Domino's Pizza" sales pitch, nor would they likely believe the two advertisements emanated from the same source, considering the significant differences between the advertisements in message content and presentation. [A86.]

v. There is no evidence that defendants have ever attempted to "pass off" their goods as those of plaintiff. . . . There is no evidence the ["Domino's Pizza"] name was adopted with any intent to confuse, mislead, or deceive the public. [A86-87; footnote omitted.]

vi. In view of the fact that both plaintiff's and defendants' sales currently run into the millions of dollars each year, . . . isolated instances of actual confusion are insufficient to sustain a finding of likelihood of confusion. [Citations omitted.] Indeed, the fact that only three instances of actual confusion were found after nearly 15 years of extensive concurrent sales under the parties' respective marks raises a presumption against likelihood of confusion in the future. [A87; citations omitted.]

vii. Plaintiff brought this suit after nearly ten years of simultaneous use of the mark "Domino" by Amstar and DPI. A trademark owner that strongly believed its customers were being

> deceived would hardly have remained idle for such an extended period of time. [A91.]

It is simply specious, therefore, for the petitioner to conclude that:

> If this decisions is permitted to stand, . . . the Coca-Cola Company may be precluded from enforcing its well-known mark against COCA-COLA pizza, or Kraft Foods may be precluded from enforcing its house mark against KRAFT pizza . . . .

Pet. 15. This is not a COCA-COLA case or a KRAFT case; it is a "Domino" case. Indeed, as the Fifth Circuit explicitly noted, "'if the Coca-Cola Company should permit COCA-COLA or COKE to be used for rain coats, cigarette lighters, golf balls, or jewelry not of its manufacture, it would not take long for even [this giant] in the trademark world to be reduced to pigmy size.'" A80. "Domino" has and does appear on "cigarettes and matches, which are currently sold in grocery stores, two restaurants currently operating . . ., a small chain of supermarkets in the Bronx . . ., and a 'Domino Donut Mix' distributed by General Mills to commercial bakers since 1959." A79. "Domino" has been registered for "canned fruits, citrus, cigarettes, cheese, wheat flours, chrome-tanned leather, canned sardines, animal feed, envelopes, pencils, fishing line, candy mints, whiskey, ladies' hosiery and haircream." *Id.* Having "not been vigilant in protecting its rights" in the past (A90), Amstar cannot hypothesize the same types of confusion which might arise from third party use of a truly famous trademark; and the Fifth Circuit has factually determined that as between "Domino" and "Domino's Pizza," there is no likelihood of confusion at any level.

CONCLUSION

The decision below does not introduce a conflict between circuits or consider an important question of federal law which should be settled by this Court. It is almost exclusively factual in content and should not thus be reviewed by writ of certiorari. Therefore, respondents request that the Petition for a Writ of Certiorari be denied.

Respectfully submitted,

WILLIAM H. NEEDLE
NEWTON, HOPKINS & ORMSBY
1010 Equitable Building
Atlanta, Georgia 30303
(404) 688-1788
Attorney for Respondents

MILES J. ALEXANDER
JERRE B. SWANN
KILPATRICK & CODY
3100 Equitable Building
Atlanta, Georgia 30303
(404) 572-6500
Of Counsel

September 4, 1980

APPENDIX

APPENDIX A

TABLE OF FACTORS IN TRADEMARK CASES RELEVANT TO LIKELIHOOD OF CONFUSION

FACTORS	FAVORS DOMINO'S PIZZA
1. GOOD FAITH	
(a) Adoption	x
(b) Use	x
2. ABSENCE OF DISTINCTIVENESS OF DOMINO MARK	
(a) Third-party uses and registrations	x
(b) Not a coined or fanciful word	x
(c) Not a prestige type mark (Gucci, Tiffany)	x
(d) Basically restricted to use on sugar until 1965	x
(e) No evidence of public awareness for products other than sugar	x
(f) Absence of likelihood or intention to expand into each other's field	x
3. THE NATURE OF THE DOMINO MARK	
(a) A surname	x
(b) Common word	x
4. DISSIMILARITY BETWEEN THE MARKS	
(a) Commercial impression and logo	x
(b) Italian connotation of Domino's Pizza	x

FACTORS	FAVORS DOMINO'S PIZZA
(c) Appearance (Domino bag-Domino's Pizza and design)	x
(d) Sound (Domino-Domino's Pizza)	-
5. DISSIMILARITY IN CHANNELS OF TRADE	x
6. DISSIMILARITY OF GOODS AND SERVICES	x
7. DISSIMILARITY OF CUSTOMERS	
(a) young v. old	x
(b) men v. women	x
(c) college students and military v. housewives	x
8. DISSIMILARITY OF ADVERTISING	x
9. ABSENCE OF ACTUAL CONFUSION	
(a) Absence of any evidence of misdirected mail, complaints, etc.	x
(b) Fourteen years of concurrent use	x
(c) Massive sales volume of both parties	x
(d) Absence of Amstar employee, officer or broker awareness of alleged conflict	x
(e) Absence of credible survey evidence of confusion	x
(f) Absence of confusion in survey of Domino's Pizza customers (3 of 700)	x

FACTORS	FAVORS DOMINO'S PIZZA
10. LACHES	
(a) Failure of Amstar to bring suit for ten years	x
(b) Failure of Amstar to seek injunctive relief against Domino's Pizza when suit filed	x
(c) Failure of Amstar to allege "likelihood of confusion" even in 1971 letter	x
(d) Failure of Amstar to take action while observing Domino's Pizza's rapid growth	x
11. AMSTAR'S INACTION AGAINST THIRD PARTIES	
(a) Failure to seek injunctive relief against anyone	x
(b) Occasional protest letters not followed up by any action by Amstar	x
12. DETERMINATIONS BY TRADEMARK EXAMINERS TO GRANT DOMINO'S PIZZA REGISTRATIONS DESPITE AMSTAR'S REGISTRATIONS	x
13. COEXISTENCE OF MANY WELL-KNOWN MARKS IN FOOD FIELD—INCLUDING SUGAR	x
14. PUBLIC POLICY AGAINST PERMITTING MONOPOLIZATION OF WORD MARKS	x
15. EQUITABLE CONSIDERATIONS	
(a) Court's repeated acknowledgment of difficulty in resolving issue	x

FACTORS	FAVORS DOMINO'S PIZZA
(b) Good will established by Domino's Pizza over 14 years	x
(c) Devastating impact on Domino's Pizza	x
(d) Absence of injury to Amstar	x
(e) Excessive scope of decree	x
(f) Verbatim adoption of Amstar's findings and conclusions by court	x
16. No Dilution of Amstar's Mark	
(a) No tarnishment of reputation	x
(b) Not a Rolls Royce or Kodak type mark	x

APPENDIX B

THIRD-PARTY FEDERAL REGISTRATIONS

MARK	PRODUCT	REG. NO.
DOMINO	Cheese	38,991
DOMINOES	Tablet candy	43,141
DOMINO plus design	Wheat flour	59,232
DOMINO CLUB	Whiskey	59,395
DOMINO	Chewing gum	72,117
DOMINO BRAND	Canned fruits	75,928
DOMINO plus design	Rice	79,051
DOMINO	Chrome-tanned leather	83,572
DOMINO plus design	Oranges, lemons, grapefruit, limes and tangerines	83,982
DOMINO	Coffee	89,558
DOMINO	Chewing gum	92,285
DOMINO	Canned sardines	100,846
DOMINO	Fertilizers	105,126
DOMINO plus design	Mixed stock feed suitable for horses, stock, cattle and poultry	108,170
DOMINO plus design	Horse, dairy and poultry feed	114,074
DOMINO	Envelopes	117,720
DOMINO	Olive-oil	118,818

MARK	PRODUCT	REG. NO.
DOMINO	Vermicelli, macaroni, spaghetti, alimentary pasta and condiments	120,436
DOMINO plus design	Canned vegetables and canned olives	120,664
DOMINO plus design	Vegetable shortening	123,260
DOMINO	Eggs, creamery-butter, mustard, cloves, sage, ginger	123,961
DOMINO	Pencils	131,081
DOMINO plus design	Salt	139,175
DOMINO PEPOLENE	Horse feed	144,616
FAT BACK DOMINOS	Hog meat, pork, and fat back	154,809
DOMINO	Matches	171,994
DOMINO plus design	Matches	171,995
DOMINO plus design	Popcorn confection consisting principally of popcorn with a small admixture of peanuts and candy, put up in cartons	182,091
DOMINO	Fishing line	182,285
DOMINO	Non-alcoholic, non-cereal, maltless beverages	198,967
MYLES DOMINO E-Z RUN SALT	Salt	215,460

MARK	PRODUCT	REG. NO.
DOMINO MINTS	Candy mints	241,329
DOMINO	Jute back cloth	263,884
DOMINO PEL-ETS	Poultry, rabbit, dog, dairy and livestock feed	275,537
DOMINO DOG-ETS	Compressed food for dog, puppy, fox, racoon, sable and all carniverous and fur-bearing animals	285,936
DOMINO PIGEON-ETS	Ration for pigeons compressed into pellets	291,861
DOMINO plus design	Cigarettes	305,237
DOMINO	Tobacco and cigarettes	305,239
DOMINO	Whiskey	320,488
DOMINO	Gin	322,160
DOMINO plus design	Paper bags	386,546
DOMINO	Cutlery, particularly table knives and forks	390,083
DOMINO	Publication published periodically—namely mystery stories	422,058
DOMINO plus design	Cigarettes	431,205
DOMINO	Hectograph carbon paper	502,698
DOMINO	Solvent for use in duplicating process	505,818
DOMINO plus design	Tennis and badminton rackets	516,738

MARK	PRODUCT	REG. NO.
DOMINO	Ready mixed paints, enamels and varnishes	525,628
DOMINO	Peanut oil used as a salad and cooking oil	530,173
DOMINO	Phonograph records	547,455
DOMINO plus design	Gloves made of fabric	565,192
DOMINO plus design	Cigarettes	586,112
DOMINO plus design	Ladies hosiery	608,364
PINK DOMINO	Haircream	609,263
DOMINO plus design	Furniture polish, metal polish, floor wax and automobile wash	616,716
DOMINO	Electrical resistors	618,969
DOMINO	Electric control panels destined for interlocking systems for railways; electric remote control systems for sluices and mines; and electric intercommunicating systems	640,944
DOMINO	Curtains, draperies and bedspreads and fabrics	664,802
DOMINO	Trading stamps	673,654
DOMINO	Modular seating and table units	700,974
DOMINO with design	Phonograph records	710,267

MARK	PRODUCT	REG. NO.
DOMINO with design	Sweaters and sportshirts	710,319
DOMINO	Watch bracelets and identification bracelets	711,217
DOMINO	Electrical circuit components, particularly capacitors and resistors	746,508
DOMINO BRIDGE plus design	Card game apparatus	813,377
DOMINO DRI	Men's and boys' raincoats	814,082
DOMINO	Cigarettes	832,403
DOMINO	After shave lotion and talcum powder; toilet soap	871,448
DOMINO	Men's full dress suits	865,028
DOMINO DOCKS	Concrete boating docks for mooring boats	880,593

No. 80-155

Supreme Court, U.S.
FILED
SEP 15 1980
MICHAEL RODAK, JR., CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM 1980

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

REPLY TO BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

GERALD W. GRIFFIN
NORMAN H. ZIVIN
Cooper, Dunham, Clark, Griffin & Moran
30 Rockefeller Plaza
New York, New York 10112
Tel. (212) 977-9550

JULIUS R. LUNSFORD, JR.
Hurt, Richardson, Garner, Todd & Cadenhead
1100 Peachtree Center Harris Tower
233 Peachtree Street, N.E.
Atlanta, Ga. 30303
Tel. (404) 525-1100
Attorneys for Petitioner

TABLE OF AUTHORITIES

PAGE

Cases

American Sugar Ref. Co. v. *Andreassen*, 296 F.2d 783 (C.C.P.A 1961) 4

Beef/Eater Rests., Inc. v. *James Burrough Ltd.*, 398 F.2d 637 (5th Cir. 1968) 4

Turner v. *HMH Publ. Co.*, 380 F.2d 224 (5th Cir.), *cert. denied* 389 U.S. 1006 (1967) 3

Statutes

15 U.S.C. §1051 *et seq.* 1

15 U.S.C. §1114(1) 4

No. 80-155

IN THE

Supreme Court of the United States

OCTOBER TERM 1980

AMSTAR CORPORATION,

Petitioner,

v.

DOMINO'S PIZZA, INC.; ATLANTA PIZZA, INC.; PIZZA ENTERPRISES, INC.; PIZZA SERVICES, INC.; and HANNA CREATIVE ENTERPRISES, INC.,

Respondents.

REPLY TO BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

Respondent DPI's Opposition to Amstar's Petition points up the importance of a resolution of the issues involved here to all trademark owners and users.* There is a compelling need for this Court to provide guidance as to the meaning of "likelihood of confusion" in sponsorship or association circumstances—the test of trademark infringement under the Lanham Trademark Act of 1946, 15 U.S.C. § 1051 *et seq.*

There is no substantial dispute between the parties as to the evidentiary facts. The District Court and the Court of Appeals essentially agreed on the facts. The disagreement relates to the ultimate conclusion—presence or

* By way of example, Sun-Kist Growers, Inc. has stated its intent to file a brief *amicus curiae* should this Petition be granted.

absence of likelihood of confusion as to sponsorship or affiliation—to be drawn from those evidentiary facts. This Court need not review all the evidence to resolve the disagreement, as DPI alleges (Opp. p. 4).

As trademark disputes typically are factual in nature, pointed out so cogently by DPI (Opp. p. 5), this Court's interpretation of the Lanham Act, resolution of conflicts between and within the circuits as to the protection which should be accorded to trademarks and guidance as to which evidentiary facts should be given weight in reaching the ultimate conclusion, becomes all that more necessary. Here, a writ of certiorari should issue because:

> (a) It is essential for this Court to interpret the meaning of likelihood of confusion, particularly likelihood of confusion as to affiliation or sponsorship, a task not undertaken by this Court since 1946.
>
> (b) It is necessary for this Court to resolve the conflict between the Court of Customs and Patent Appeals (and its subsidiary tribunal) and the Fifth Circuit as to the scope of protection to be accorded Amstar's famous DOMINO trademark.
>
> (c) It is necessary for this Court to resolve the differing judicial interpretations of the weight to be accorded such evidentiary facts as the fame of the owner's trademark; the relationship of the respective goods; the existence of third-party registrations; and the existence of third-party uses (see Petition pp. 7-14).

These issues may be resolved without any attention to the record beyond the two opinions below. The ultimate conclusion may be reviewed regardless of whether likelihood of confusion is a question of law or fact or both, a standard of review which in itself is subject to a conflict among the circuits (see A75).

Rather than address the reasons for granting the writ, DPI's Opposition seeks to create the "straw man" of several factual issues, arguing that this Court should not resolve those issues (Opp. p. 9). For example, DPI lists many third-party registrations allegedly affecting protection of the DOMINO mark (Opp. p. 6 and Appendix B). There is no dispute as to the existence of these registrations (although DPI carefully does not list the dates on which the very old registrations issued or state whether the registrations are still extant). These are matters of public record. The undisputed fact is that *not one* of these registrations has issued since the Lanham Act of 1946 for any food product and is still in existence. These registrations on their face either issued prior to the Lanham Act and are long expired, or are for wholly unrelated products, such as concrete docks for mooring boats.

The question to be resolved is whether such "ancient" and irrelevant third-party registrations are now to be considered in determining the scope to be accorded Amstar's famous mark. The Fifth Circuit previously held that third-party registrations have no such effect. *Turner* v. *HMH Publishing Co.*, 380 F.2d 224, 228 (5th Cir.), *cert. denied* 389 U.S. 1006 (1967). But, in the decision below, the Fifth Circuit held, without even citing *Turner*, that "such extensive third-party . . . registration of 'Domino' can [not] be so readily dismissed" (A79) and that "the third-party . . . registrations discussed above merely limit the protection to be accorded plaintiff's mark outside the uses to which plaintiff has already put its mark" (A80). This is just one error in application of the Lanham Act which must be cured with the guidance of this Court. If not, this important legal issue will continue to be the subject of extensive conflict.

As another example of a supposed factual issue, DPI contends that sugar and pizza "are highly dissimilar prod-

ucts" (Opp. p. 5-6). There is no factual dispute that these products are dissimilar. It likewise is not disputed that both are food products sold for human consumption. And, it is also not disputed that both parties sell other food products. Amstar sells DOMINO salt, pepper, ketchup, mustard, jams and jellies, salad dressings, beverage mixes and other foods (A72). DPI sells DOMINO'S soft drinks, pizza ingredients and toppings, including a sugar and salt mix (Opp. p. 2).

The question to be resolved is whether use of the same mark DOMINO for different food products is likely to cause confusion. The C.C.P.A., in *American Sugar Ref. Co. v. Andreassen*, 296 F.2d 783 (C.C.P.A. 1961), held that it is, even where both food products are not sold for human consumption. The Fifth Circuit also previously held that it is, so long as both products are consumable. *Beef/Eater Restaurants, Inc. v. James Burrough Ltd.*, 398 F.2d 637, 639 (5th Cir. 1968). But, in the decision below, the Fifth Circuit held, without citing either *Andreassen* or *Beef/Eater*, that "about the only things they have in common are that they are edible" and that is not sufficient similarity to result in likelihood of confusion (A84). Again this conflict in interpretation of federal law must be resolved by this Court.

Where a mark is "distinctive, well-known" (A80), "arbitrary" (A82), and "deserving substantial protection" (A92), as the Fifth Circuit found respecting Amstar's DOMINO mark, it is entitled to protection against use of the virtually identical mark for related, but non-competitive goods. These two elements—similarity in the marks and the goods—are the only essential similarities required to establish trademark infringement as provided by the Lanham Act, 15 U.S.C. § 1114(1). The other elements listed by DPI simply are "make-weights" (Opp. pp. 6-8 and

Appendix A). This Court should adopt this generally accepted principle to guide the lower courts in their application of the Lanham Act. Otherwise, they will continue to err in their interpretations.

Respectfully submitted,

GERALD W. GRIFFIN
NORMAN H. ZIVIN
Cooper, Dunham, Clark, Griffin & Moran
30 Rockefeller Plaza
New York, New York 10112
Tel. (212) 977-9550

JULIUS R. LUNSFORD, JR.
Hurt, Richardson, Garner, Todd & Cadenhead
233 Peachtree Street, N.E.
Atlanta, Ga. 30303
Tel. (404) 525-1100

Attorneys for Petitioner